

SCUDDER FINANCIAL LIBRARY  
SCHOOL OF BUSINESS  
COLUMBIA UNIVERSITY

95.04

FEB 15 1928

American Surety Company  
of New York

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Report of President for Year 1919





American Surety Company  
of New York

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Report of President for Year 1919



January 20, 1920.

*The Chairman and Members of the Board of Trustees,  
American Surety Company of New York,  
No. 100 Broadway, New York City.*

GENTLEMEN:

We went forward with rapid strides last year, but were able to meet the increasing demands upon us for service with comparative ease, as our organization functions perfectly again.

The Income and Outgo figures hereinafter set out indicate—  
28-78/100% increase in Net Premiums—  
12-24/100% increase in Net Income from Investments; in other words, 27-46/100% in Total Net Income—  
16-15/100% increase in Expenses—  
84-92/100% increase in Taxes—  
24-83/100% increase in Losses reported less Salvages; in other words, 20-71/100% in Total.

The Net Residue shows an increase of \$615,855.97 or 46-27/100%, a very gratifying result.

The ratio of expenses and taxes came down from 58% to 55%, notwithstanding the fact that the taxes were greater by about 2% than the year before.

The ratio of losses less salvages was 20% against 20-2/3%; included here are sums set aside from income to meet contingent claims in all cases where notices of possible loss have been received by us.

It may be of interest to note that we entered upon our records during the year:

Gross Premiums amounting to.....	\$8,759,945.62
Reinsuring Companies were paid.....	\$1,202,073.69
We made refunds aggregating.....	397,757.87
Were compelled to cancel for cause....	1,152,567.97
And set aside to meet doubtful items....	30,053.53
	<u>2,782,453.06</u>

So that the Gross of \$8,759,945.62

Shrinks to a Net of..... \$5,977,492.56

But every item, good or bad, in these totals had to be handled many times.

Of the Net Income we retained in

1919.....\$1,946,801.83  
1918..... 1,330,945.86  
1917..... 963,669.17

Yet our Surplus is but slightly increased, for we added to Reserves very material sums, as will be hereinafter noted.

Here, then, is the Income and Outgo statement:

*Income:*

From Premiums . . . .	\$6,007,544.09	An increase over the previous year of \$1,363,523.57
From Dividends, Interest and Rents, less operating Cost	451,602.50	An increase over the previous year of \$49,246.79
	<u>\$6,459,146.59</u>	

*Outgo:*

For Expenses . . . . .	\$3,052,719.14	An increase over the previous year of \$424,544.73
For Taxes . . . . .	231,263.91	An increase over the previous year of \$106,202.92
For Losses . . . . .	1,198,314.24	An increase over the previous year of \$238,388.02
	<u>\$4,482,297.29</u>	

Making the Profit for the year . . . . . \$1,976,849.30  
which sum was dealt with as follows:

There was transferred to Special Reserves, namely:

Expense . . . . .	58,563.75	
Outstanding Premiums	30,053.53	88,617.28

There was used for alterations and replacements in connection with the Main Building and the Annex . . . .	120,187.76
We had a loss in securities sold and unsold of . . . . .	166,975.04
And the Legal Premium Reserve had to be increased . . . . .	1,074,746.39

Making a total of . . . . .	<u>\$1,450,526.47</u>
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Leaving for Disposition . . . . .	\$ 526,322.83
Out of this sum we paid Dividends amounting to . . . . .	500,000.00
And the remainder, transferred to Surplus Account, was \$	<u>26,322.83</u>



The financial condition of the Company, as reflected by its books, is as follows:

### *Resources:*

#### Real Estate:

Home Office Building and Land, unencumbered.....	\$4,500,000.00
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#### Securities at Market Value:

Stocks.....	\$1,129,500.00	
Bonds.....	4,485,875.00	
Short Term Securities.....	83,250.00	5,698,625.00

Cash in Banks and Offices.....	1,222,898.44	
Excise Reinsuring Fund.....	120,354.58	
Premiums in Course of Collection..	1,264,154.79	
Accrued Interest and Rents.....	38,413.85	
Accounts Receivable.....	27,205.46	
		<u>\$12,871,652.12</u>

### *Liabilities:*

Capital Stock.....	\$5,000,000.00	
Surplus and Undivided Profits....	1,059,784.23	
Special Reserve.....	500,000.00	
Reserve for Unearned Premiums..	3,967,078.88	
Reserve for Outstanding Premiums	401,822.14	
Reserve for Contingent Claims....	1,426,199.06	
Reserve for Expenses and Taxes...	408,079.28	
Reinsurance and other Accounts Payable.....	108,688.53	<u>\$12,871,652.12</u>

All securities owned by the Company are carried at Market Value, and consist of the following:

### *Stocks*

5000 S.	Amsuco Securities Company (Special Reserve Fund Investment).....	\$ 500,000.00
200 S.	Chase National Bank of New York.....	110,000.00
500 S.	Consolidated Gas Company of N. Y.....	40,000.00
1500 S.	Lehigh Valley Coal Sales Company (Par value \$50.00).....	127,500.00
1500 S.	Lehigh Valley R. R. Co. (Par value \$50.00)	60,750.00
5000 S.	Pennsylvania R. R. Co. (Par value \$50.00)	200,000.00
500 S.	Endicott Johnson Corporation Preferred..	51,625.00
500 S.	International Paper Company Preferred..	39,625.00
Total.....		\$1,129,500.00

### *Bonds*

20 M.	American Telephone & Telegraph Co. 30 year 5% Coll. Trust Gold due Dec. 1, 1946.....	15,900.00
50 M.	Atlantic Coast Line R. R. Co. Convertible Reg. (6-30 year 4%) Gold Debenture due Nov. 1, 1939 Tax exempt.....	37,500.00
100 M.	Canadian Northern Ry. Co. (Winnipeg Terminals) 1st. Mtge. 4% Coupon July 1, 1939.....	78,000.00
430 M.	District of Columbia 3.65% Reg. Aug. 1, 1924.....	417,100.00
100 M.	International Mercantile Marine Co. 1st Mtg. & Coll. Trust S. F. 6% Gold due Oct. 1, 1941 Tax exempt.....	94,500.00
200 M.	New York Central R. R. Co. 6% Conv. Deb. May 1, 1935.....	181,250.00
75 M.	N. Y. City 3% Consolidated Stock, Nov. 1, 1920 Issue of Dec. 14, 1897.....	73,687.50
50 M.	N. Y. City 3½% Corporate Stock, Nov. 1, 1929.....	45,625.00
25 M.	N. Y. City 3½% Corporate Stock, Nov. 1, 1953 School Houses, etc.....	20,500.00

*Bonds—Continued*

100 M.	N. Y. City 4% Corporate Stock, Nov. 1, 1956 Issue of February 5, 1907.....	89,750.00
100 M.	N. Y. Gas, Elec. Light, Heat & Power Co., 1st. Mtg. 5% Gold Coupon December 1, 1948 Tax exempt.....	82,125.00
100 M.	N. Y. N. H. & H. R. R. Co. Debenture 4% due April 1, 1922.....	63,500.00
100 M.	N. Y. State Canal Improvement 3% Reg. July 1, 1958.....	95,000.00
35 M.	N. Y. Telephone Co. 30 year Sinking Fund 6% Debenture due Feb. 1, 1949.....	31,500.00
50 M.	Pennsylvania Co. 4½% Coupon due June 15, 1921.....	48,625.00
50 M.	Philadelphia Co. 5% Convert. Debentures due May 1, 1922.....	43,000.00
50 M.	Portland, Ore., City Hall 5% Coupon July 1, 1922.....	50,250.00
10 M.	Porto Rico 4% Registered Gold Loan of 1915 due Jan. 1, 1956.....	9,450.00
\$1,360,000.00	U. S. of America 2nd Liberty Loan 4% Gold Bonds due Nov. 15, 1942 Converted into 4¼%.....	1,251,200.00
\$890,000.00	U. S. of America 2nd Liberty Loan converted 4¼% Gold Bonds Registered due Nov. 15, 1942.....	814,350.00
50 M.	United States Rubber Co. 5 year 7% Secured Gold Notes due Dec. 1, 1923....	51,250.00
50 M.	Norfolk and Western Ry. Co. Convertible 10 year 6% Gold Bonds due Sept. 1, 1929.....	52,000.00
50 M.	Chicago & North Western Ry. Co. 5% General Mortgage Gold Coupons Bonds of 1897 due Nov. 1, 1987.....	48,562.50
25 M.	Wilson & Co. Inc. 6% 10 year Convertible Sinking Fund Gold Bonds due Dec. 1, 1928.....	24,375.00
25 M.	Wilson & Co. Inc. First Mortgage 6% 25 year Sinking Fund Bonds due April 1, 1921.....	24,375.00
750 M.	U. S. of America Victory Loan 4¾% Gold Bonds due May 20, 1923.....	742,500.00
Total.....		\$4,485,875.00

*Short Term Securities*

35 M.	Certificate of Deposit of Central Union Trust Co. of New York for 35 M. Brooklyn Rapid Transit Co. 3 year 7% Secured Gold Notes due July 1, 1921.....	14,000.00
50 M.	Great Northern Railway Co. 5% Coll. Trust Coupon Gold Notes due Sept. 1, 1920.....	49,250.00
25 M.	Seaboard Air Line Railway Co. 6% Secured Gold Notes due Sept. 15, 1920.....	20,000.00
Total.....		83,250.00
Grand Total.		\$5,698,625.00

The operations of our Amsuco Securities Company resulted, as under, for the period under review:

*Income:*

Profit on sales of securities.....	\$ 24,929.53	
Rent.....	3,000.00	
Interest.....	1,266.70	
Dividends.....	43,498.37	\$ 72,694.60

*Outgo:*

Taxes.....	\$ 1,784.64	
Furniture & Fixtures...	94.10	
Brokerage.....	85.50	
Tax Registration.....	20.00	
Expenses.....	90.95	
Exchanges.....	21.81	2,097.00

Net increase in Surplus..... \$ 70,597.60

The financial condition of the Amsuco Securities Company, as reflected by its books, is as follows:

*Resources:*

Cash in Bank and Office.....	\$ 221.78
Collateral Loans.....	56,130.48
Real Estate and Improvements.....	175,000.00

*Stocks:*

4392 S. Mexican Surety Co.....	\$260,385.00	
2335 A. Canadian Surety Co.....	271,000.00	
9 S. Title Guaranty & Surety Co...	450.00	
300 S. Schermerhorn Res. Co.....	1,000.00	\$532,835.00

*Bonds:*

444 M. Tennessee Central R. R. Co. 5%	444.00
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\$764,631.26

*Liabilities:*

Capital Stock.....	\$500,000.00
Reserve.....	156,430.00
Surplus.....	108,201.26
	\$764,631.26



The main investments of Amsuco consist of Canadian Surety and Mexican Surety shares, and, inasmuch as it owns 2335 out of a total of 2500 shares of Canadian, and 4392 out of a total of 5000 shares of Mexican, the operations of these Companies are pertinent.

As to Canadian, the Revenue Accounts of the Company show these results:

*Income:*

From Premiums.....	\$169,527.50	An Increase over the previous year of \$47,359.00
Interest.....	20,037.99	An Increase of \$1,845.70
Profit on sale of Securities.....	1,454.72	First sale of securities
	<u>\$191,020.21</u>	

*Outgo:*

For Expenses.....	\$108,035.75	An Increase over previous year of \$27,306.84
For Claims.....	23,141.59	An Increase of \$10,003.10
	<u>\$131,177.34</u>	

Making the Profits for the year.....	\$59,842.87	
Of this there was added to Premium Reserve.....	\$ 33,417.39	
To Expense Reserve.....	6,755.65	
and Ordinary Dividends Paid....	15,750.00	55,923.04
	<u></u>	<u></u>
Leaving an addition to Surplus.....	\$ 3,919.83	

The financial condition of the Canadian Surety Company, as at December 31, 1919, as reflected by the books, is as follows:

*Resources:*

Cash on Hand and in Banks.....	\$ 39,488.95
Bonds and Debentures at Cost.....	387,478.43
Premiums in Course of Collection.....	31,676.34
Accrued Interest.....	5,976.19
Agency Advances.....	1,850.00
Reinsurance Receivable.....	3,281.84
	<u>\$469,751.75</u>

*Liabilities:*

Capital Stock (paid up).....	\$250,000.00
Surplus.....	40,000.00
Undivided Profits.....	16,380.61
Reserve for Unearned Premiums.....	98,987.08
Reserve for Contingent Claims.....	18,037.44
Reserve for Expenses and Taxes.....	16,558.78
Balance due on Victory Bonds.....	20,000.00
Reinsurance Payable.....	9,787.84
	<u>\$469,751.75</u>

*Bonds and Debentures  
Owned by  
Canadian Surety Company*

7 M	Dist. of Nor. Vancouver 5% due 1960....	\$ 6,379.80
7 M	Twp. of Richmond, B. C. 4½% due 1959...	5,916.40
8 M	Town of Estevan, Sask. 5% due 1942-3....	6,885.76
10 M	City of Med. Hat, Alta. 5½% due 1933...	9,525.00
1 M	Rur. Mun. St. Vital, Man. 6% due 1933...	1,012.10
3 M	Neepawa, Man. 6% due 1944.....	3,091.50
8 M	Town of North Bay, Ont. 5% due 1938-41.	7,677.60
4 M	Town of North Bay, Ont. 5% due 1942-43.	3,838.80
7 M	City of Portage La Prairie, Man. 5% due 1934.....	6,642.30
1 M	City of Edmonton, Alta. 5% due 1933....	967.70
10 M	Town of Transcona, Man. 6% due 1944...	9,950.00
\$ 1,954.69	Town of Watrous, Sask. 5½% due 1944...	1,782.69
2 M	Twp. of Esquimalt, B. C. 5% due 1963....	1,760.00
\$ 2,464.54	Town of Smiths Falls, Ont. 5½% due 1922-4-5.....	2,487.31
\$ 682.94	Town of Sandwich, Ont. 6% due 1921...	700.22
\$ 385.36	Town of Sandwich, Ont. 6% due 1923...	397.69
\$ 768.47	Town of Sandwich, Ont. 6% due 1924...	795.44
\$ 174.58	Town of Sandwich, Ont. 6% due 1925...	181.23
5 M	Prov. of Saskatchewan 5% due 1925.....	4,699.50
\$ 1,946.66	City of Hamilton, Ont. 4% due 1940.....	1,620.21
\$ 2,984.08	County of Simcoe, Ont. 5% due 1934-35..	2,938.76
\$ 1,877.23	Town of Renfrew, Ont. 5% due 1937-41..	1,785.45
\$ 9,964.20	Windsor, Ont. By Law No. 2167 5½% due 1946-49.....	9,582.52
5 M	Winnipeg, Man. 5% due 1926.....	4,641.90
5 M	Prov. of Saskatchewan 5% due 1932.....	4,453.00
30 M	Dom. War Loan (fully reg.) 5½% due 1937	49,363.15
20 M	Dom. War Loan (Coupon) 5½% due 1937 }	
5 M	County of Norfolk 5% due 1932.....	4,688.90
5 M	Prov. of Ontario 6% due 1928.....	5,000.00
10 M	Govt. Newfoundland 6½% due 1928....	10,000.00
50 M	Dom. of Can. War Loan 5½% due 1933.	50,000.00
4 M	Tor. Har. Comr's 4½% due 1953.....	3,376.00
25 M	Dom. War Loan 5½% due 1934.....	25,000.00
1 M	Dom. War Loan 5½% due 1923.....	1,002.50
\$ 4,014.75	City of Guelph 5% due 1932.....	4,117.12
\$ 9,733.33	City of Victoria 4% due 1936.....	8,867.06
10 M	Town of Owen Sound 4½% due 1932....	9,509.00
\$ 9,733.33	City of Toronto 4% due 1948.....	8,874.85

2 M	City of Ft. William $4\frac{1}{2}\%$ due 1952.....	1,828.40
10 M	City of Belleville $4\frac{1}{2}\%$ due 1941.....	9,424.00
\$ 5,700.00	City of Stratford $4\frac{1}{2}\%$ due 1932.....	5,438.94
\$10,346.29	St. Hyacinthe, Que. School $4\frac{1}{2}\%$ due 1953-60.....	9,179.13
10 M	City of Brandon, Man. $6\%$ due 1933.....	9,852.00
5 M	Town of Swift Current $6\%$ due 1933.....	5,122.50
15 M	City of Sydney, N. S. $4\frac{1}{2}\%$ due 1942....	13,374.00
\$ 9,867.01	Twp. of Bruce, Ont. $5\%$ due 1922.....	9,755.12
17 M	Town of Sorel, Que. $5\%$ due 1952.....	16,297.90
10 M	Prov. of Alberta, $4\frac{1}{2}\%$ due 1924.....	9,725.00
10 M	Prov. of New Brunswick, $3\%$ due 1939...	7,900.00
5 M	Town of Lindsay, Ont. $5\frac{1}{2}\%$ due 1934...	5,172.50
\$ 2,463.10	Town of Orillia $5\%$ due 1925.....	2,383.54
\$ 2,234.10	Town of Orillia $5\%$ due 1923.....	2,171.99
2 M	Town of Welland, Ont. $5\frac{1}{2}\%$ due 1934..	2,025.00
\$ 2,423.48	Town of Waterloo $5\frac{3}{4}\%$ due 1928.....	2,548.29
5 M	Prov. of Quebec $4\frac{1}{2}\%$ due 1946.....	4,295.50
		<hr/>
		\$396,005.27
	Depreciation.....	8,526.84
		<hr/>
		\$387,478.43

As to Mexican, the Revenue Accounts of the Company show these results:

### *Pesos*

#### *Income:*

From Premiums.....	105,519.48	An Increase over the previous year of 21,612.86
From Commissions.....	7,734.59	An Increase over the previous year of 2,375.55
From Interest and Dividends..	1,268.43	An Increase over the previous year of 1,268.43
	<u>114,522.50</u>	

#### *Outgo:*

For Expenses.....	45,361.97	An Increase over the previous year of 1,696.38
For Claims.....	39,997.74	An Increase over the previous year of 21,200.53
For Exchange.....	82.35	An Increase over the previous year of 82.35
	<u>85,442.06</u>	

Making the Profit for the year..... 29,080.44

From which is Deducted:

Decrease in Security Values.....	600.00	
Increase in Premium Reserve....	9,095.76	9,695.76
Leaving an Addition to Surplus Account of.....		<u>19,384.68</u>



The financial condition of the Mexican Company, as at Dec. 31, 1919, as reflected by the books, is as follows:

### *Resources:*

	Pesos
Cash.....	102,662.06
Stocks and Bonds.....	187,810.00
Participation in Loan by Banco Nacional to Mexican Government.....	570,000.00
Other Companies owe.....	35,000.40
Premiums in Course of Collection.....	6,118.85
Interest in Course of Collection.....	573.78
Salvage Recoverable.....	1,913.16
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	904,078.25

### *Liabilities:*

Capital.....	500,000.00
Surplus.....	149,389.36
Special Reserve.....	80,000.00
Premium Reserve.....	36,211.35
Claim Reserve.....	24,896.47
Collateral Deposits.....	1,860.00
Federal Pool.....	4,859.79
American Surety Company.....	106,861.28
	<hr/>
	904,078.25

### *Securities Owned by Compania Mexicana de Garantias, S. A.*

PESOS	531,000	MEXICAN 6% GOLD BONDS OF 1913	53,100
	166,750	MEXICAN 3% INTERIOR BONDS...	100,050
	1,100	INTERNAL 5% REDEEMABLE DEBT	660
	\$1,000	FOURTH LIBERTY 4¼% BONDS U. S. A.....	2,000
	800	SHARES BANCO de TAMANLIPOS STOCK.....	32,000
			<hr/>
			187,810

*Comparative Statement*

## Resources and Liabilities

## American Surety Company of New York

RESOURCES:	1919	1918	Increase (I) or Decrease (D)
Real Estate.....\$	4,500,000.00	\$ 3,166,047.91	\$1,333,952.09 I
Securities at Market Value:			
Stocks.....	1,129,500.00	1,777,725.00	648,225.00D
Bonds.....	4,485,875.00	3,527,168.90	958,706.10 I
Short Term Securities...	83,250.00	1,391,025.00	1,307,775.00D
Cash in Banks and Offices..	1,222,898.44	533,483.67	689,414.77 I
Excise Reinsuring Fund...	120,354.58	78,362.59	41,991.99 I
Premiums in Course of Col- lection.....	1,264,154.79	878,858.22	385,296.57 I
Accrued Interest and Rents	38,413.85	61,514.42	23,100.57D
Reinsurance Receivable....	27,205.46	47,383.67	20,178.21D
	\$ 12,871,652.12	\$ 11,461,569.38	\$ 1,410,082.74 I
LIABILITIES:			
Capital Stock.....\$	5,000,000.00	\$ 5,000,000.00	
Surplus and Undivided Prof- its.....	1,059,784.23	1,033,461.40	26,322.83 I
Special Reserve.....	500,000.00	500,000.00	
Reserve for Unearned Premiums.....	3,967,078.88	2,892,332.49	1,074,746.39 I
Reserve for Outstanding Premiums.....	401,822.14	371,768.61	30,053.53 I
Reserve for Contingent Claims.....	1,426,199.06	1,266,030.86	160,168.20 I
Reserve for Expenses and Taxes.....	408,079.28	362,015.53	46,063.75 I
Reinsurance and Other Ac- counts Payable.....	108,688.53	35,960.49	72,728.04 I
	\$ 12,871,652.12	\$ 11,461,569.38	\$ 1,410,082.74 I

In general, during the year under review we wrote and renewed 603,959 risks, carrying gross premiums amounting to \$8,759,945.62, whereas cancellations and refunds aggregated \$1,580,381.37 and re-insurance ceded to other companies \$1,202,073.69.

As heretofore stated, we recovered \$689,923.41 in cash, against claim payments of \$1,728,069.45.

There were presented to us

2732 Fidelity Claims
187 Official Claims
392 Court, Contract and Depository Claims
196 Burglary Insurance Claims

making a total of 3507

On December 31, last, we had in force 518,301 risks, carrying a liability of \$1,644,759,584.00.

We are represented in this country by 40 General and 14,496 Local Agents, an increase in number of 344.

During the life of the Company it has enjoyed a

Net Premium Income of .....	\$62,584,979.36
Its Net Losses were.....	\$14,175,380.25
And its Expenses.....	35,653,510.42
	<u>49,828,890.67</u>
Leaving an Excess of .....	\$12,756,088.69
	or 25.60%
Our Stockholders have received in Cash Dividends.	\$10,387,500.00

In conclusion, a few references to matters past and present. You will be interested to be told that there was a time in our history when we refused to have any dealings whatsoever with our competitors. It was war to the knife in every direction. This policy got us nowhere and has been reversed, and harmony has supplanted discord in the entire surety field. Considered from a purely business point of view, it was worth while to change about front.

For one thing, rates are now stable, a thing unheard of under the old order of things. And we are interchanging business—that is to say, reinsuring with one another. This enables us to accommodate our clients as never before, for, if we are asked to underwrite a risk beyond our legal capacity, or one we are disinclined to carry in its entirety, we reinsure a part with other companies; in other words, we distribute the risk or liability.

This feature of our business has had the study and care of one of our Vice Presidents since the first of last year, and the plans that have been evolved by him are most beneficial to our organization, and are highly interesting as well. To what extent the practice has grown with us is evidenced by the fact that we ceded to other companies risks carrying net premiums aggregating \$1,202,073.69, against \$596,685.34 the year before.

A further step forward was taken by us in the organization last year of a Foreign Department. That there was need of it is shown by the net results achieved from the very inception of the enterprise. One of our senior Vice Presidents is devoting his entire attention to this important work, and he is gradually perfecting arrangements with domestic and foreign institutions whereunder we shall be in position to have executed for us, on behalf of clients in need thereof, suretyship obligations in all countries wherein we ourselves, or our subsidiaries, are not qualified to act.

At my suggestion the Executive Committee has appointed a subcommittee to prepare welfare plans suitable for our Company. These will be submitted to you, for consideration, at an early date.

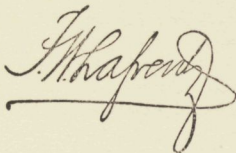
There is pending before the Real Estate Committee a proposition by the Liberty National Bank, which involves the sale of the Wall Street wing of the newly acquired Schermerhorn property; the demolition of the Broadway and Pine Street wings of this building, and the erection in its place of a new structure in keeping with One Hundred Broadway, as well as the remodeling of the interior of the latter; and the leasing, for a term of twenty years, of the first three or four floors and part of the basement of the new structure to the aforementioned bank.

These matters are of the utmost importance to us and are having the very closest attention. As soon as we have the various details in concrete form, full particulars and definite recommendations will be placed before you for action.

I, personally, feel this way about our property: Our long term lease enabled us to purchase the Astor holding at a low figure. Once we had title and thus became the owners in fee of a site containing roughly 17,000 square feet of ground, and situated as it is, we found ourselves with a value of \$1,000,000 over the cost price. In other words, our real estate problem found a solution.

And now, having thus succeeded in correcting an error of long standing and one that seemed impossible of correction, we should seriously consider every step we are asked to take lest we lose again even the slightest fraction of the advantage just gained.

All of which is respectfully submitted.

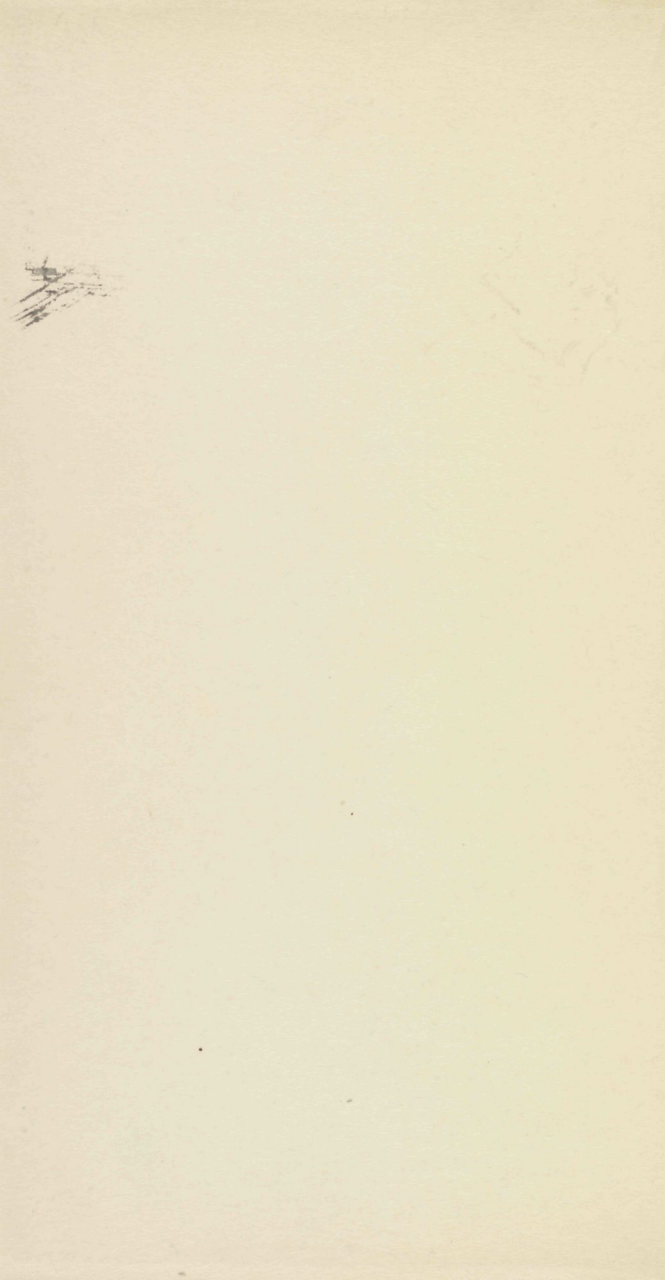
A handwritten signature in dark ink, appearing to read "J. H. Chapin". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

President.









15 1928

American Surety Company  
of New York

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Report of President for Year 1920





American Surety Company  
of New York

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Report of President for Year 1920



January 18, 1921.

*The Chairman and  
Members of the Board of Trustees.*

GENTLEMEN:

The accounts for 1920 indicate a healthy increase in our business, but we reduced our commitments by reinsuring to a greater degree than at any previous period.

There passed through our records during the year:

Gross premiums amounting to.....	\$10,808,524.27
Of this we paid Reinsuring Companies.....	\$1,752,859.85
We made refunds aggregating.....	562,103.11
And we were obliged to cancel....	1,489,545.59
	<hr/>
	3,804,508.55

So that the Gross of \$10,808,524.27

Came to a Net of..... \$7,004,015.72

The Income and Outgo figures hereinafter set out indicate—

16-65/100% increase in Net Premiums—

4-6/100% decrease in Net Income from Investments; in other words, 15-19/100% in Total Net Income—

23-68/100% increase in Expenses—

8-73/100% decrease in Taxes—

52-71/100% increase in Losses reported less Salvages; in other words 29-77/100% in Total Outgo.

The ratio of Losses on our Surety business (inclusive of Special Reserves) less Salvages was 25.1 against 19.9; on our Burglary Insurance business the ratio was 48.1 against 20.8. Included here are sums set aside from Income to meet contingent claims in all cases where notices of possible loss have been received by us.

Of our Net Income we retained in

1920.....	\$1,589,188.68
1919.....	1,946,795.77
1918.....	1,330,945.86

The net retention is less by \$357,607.09 or 18-37/100%; namely, \$337,813.58 by reason of the very heavy losses on Fidelity Bonds and large extraordinary expenses, brought about by the removal of our forces from the Annex, and the preparation for occupancy of the Wall Street wing thereof; a decrease of \$18,328.74 in Investment Income due to the demolition of the Schermerhorn Building; and an increase of \$1,464.77 in the sum set aside to cover possible uncollectible premiums.

The manner in which the excess of Income over outgo was disposed of is shown by the following summary:

*Income:*

From Premiums....	\$7,004,015.72	An increase over the previous year of \$996,471.63
From Dividends, Interest and Rents, less operating cost	433,273.76	A decrease from the previous year of \$18,328.74
	<u>\$7,437,289.48</u>	

*Outgo:*

For Expenses.....	\$3,775,508.78	An increase over the previous year of \$772,789.64
For Taxes.....	211,076.06	A decrease from the previous year of \$20,187.85
For Losses.....	1,829,997.66	An increase over the previous year of \$631,683.42
	<u>\$5,816,582.50</u>	

Making the excess of Income over Outgo..... \$1,620,706.98

Which sum was dealt with as follows:

There was transferred to Special Reserves, namely:

Expense.....	\$96,903.25	
Outstanding Premiums.	31,518.30	
Claim.....	75,000.00	
	<u>\$203,421.55</u>	

We had a shrinkage in the value of Securities Sold and Unsold of.. \$396,263.23

And the Legal Premium Reserve had to be increased..... 943,901.13

\$1,543,585.91

We used as an offset the Special Reserve we carried of..... 500,000.00

Leaving for deduction..... \$1,043,585.91

And leaving for final disposition..... \$ 577,121.07

Out of this sum we paid Dividends amounting to.. 500,000.00

And the remainder, transferred to Surplus Account, was..... \$ 77,121.07

The financial condition of the Company, as reflected by its books, is as follows:

### *Resources:*

#### Real Estate:

Home Office Building and Land unencumbered.....	\$4,500,000.00	
New Building Construction.....	1,636,296.70	\$6,136,296.70

#### Securities at Market Value:

Stocks.....	\$ 886,187.50	
Bonds.....	4,257,544.40	
Short Term Securities.....	18,375.00	5,162,106.90

Cash in Banks and Offices.....	1,197,599.81	
Excise Reinsuring Fund.....	37,201.46	
Premiums in Course of Collection..	1,535,596.12	
Accrued Interest and Rents.....	45,818.47	
Accounts Receivable.....	64,613.70	
		<u>\$14,179,233.16</u>

### *Liabilities:*

Capital Stock.....	\$5,000,000.00	
Surplus and Undivided Profits...	1,136,894.94	
Reserve for Unearned Premiums..	4,910,980.01	
Reserve for Outstanding Premiums.	433,340.44	
Reserve for Contingent Claims...	2,112,118.07	
Reserve for Expenses and Taxes...	504,992.89	
Reinsurance and other Accounts Payable.....	80,906.81	
		<u>\$14,179,233.16</u>



Other than Amsuco, which is carried at the amount paid into it by us, although actually worth considerably more, all securities owned by the Company are carried at Market Value, and consist of the following:

### *Stocks*

5000 S.	Amsuco Securities Company . . . . .	\$ 500,000.00
300 S.	Chase National Bank of New York & Chase Securities Corp. of N. Y. . . . .	90,000.00
500 S.	Endicott Johnson Corporation Preferred . . . . .	40,000.00
500 S.	International Paper Company Preferred (Stamped) . . . . .	35,000.00
1500 S.	Lehigh Valley Coal Sales Company (Par value \$50.00) . . . . .	82,500.00
3500 S.	Pennsylvania R. R. Co. (Par value \$50.00) . . . . .	138,687.50
Total . . . . .		\$ 886,187.50

### *Bonds*

20 M.	American Tel. & Telegraph Co. 30 year 5% Coll. Trust due Dec. 1, 1946. . . . .	15,200.00
50 M.	Atlantic Coast Line R. R. Co. Convertible Reg. 4% Debenture due Nov. 1, 1939 . . . . .	31,500.00
100 M.	Canadian Northern Ry. Co. (Winnipeg Terminals) 1st Mortgage 4% due July 1st, 1939 . . . . .	65,000.00
50 M.	Chicago & Northwestern Ry. 5% General Mortgage due Nov. 1, 1987 . . . . .	43,000.00
50 M.	Consolidated Gas Co. 5 year secured 7% Convertible due Feb. 1, 1925 . . . . .	49,875.00
100 M.	B. F. Goodrich Co. 5 year 7% Convertible Notes due Apr. 1, 1925 . . . . .	82,000.00
100 M.	International Mercantile Marine Co. 1st Mtg. & Coll. Trust 6% due Oct. 1, 1941 . . . . .	77,500.00
200 M.	New York Central R. R. Co. 6% Conv. Deb. due May 1, 1935 . . . . .	176,000.00
		\$ 540,075.00

*Bonds—Continued*

50 M.	N. Y. City 3½% Corporate Stock, due Nov. 1, 1928, Erection of Hospital.....	44,000.00
100 M.	N. Y. City 4% Corporate Stock, due Nov. 1, 1955, issue of February 5, 1907.....	82,000.00
25 M.	N. Y. City 4¼% Corporate Stock (For Dock Purposes) due April 1, 1966.....	21,625.00
100 M.	N. Y. Gas, Elec. Light, Heat & Power Co. 1st Mtg. 5% due December 1, 1948.....	76,250.00
100 M.	N. Y., N. H. & H. R. R. Co. Debenture 4% due April 1, 1922.....	65,000.00
50 M.	N. Y. State Canal Improvement 3% Reg. due July 1, 1958.....	43,500.00
50 M.	N. Y. State Canal Improvement 3% Reg. due July 1, 1959.....	43,500.00
35 M.	N. Y. Telephone Co. 30 year Sinking Fund 6% Debenture due Feb. 1, 1949.....	29,837.50
50 M.	Norfolk & Western Ry. Co. Convertible 10 year 6% due Sept. 1, 1929.....	52,000.00
50 M.	Pennsylvania Co. 4½% Guaranteed due June 15, 1921.....	49,125.00
100 M.	Pennsylvania R. R. Co. 10 year 7% secured due April 1, 1930.....	104,000.00
50 M.	Philadelphia Co. 5% Convert, Debentures due May 1, 1922.....	43,000.00
50 M.	Portland, Ore., Water Loan 5% due July 1, 1923.....	48,000.00
10 M.	Porto Rico 4% Registered Gold Loan of 1915 due Jan. 1, 1956.....	7,000.00
15 M.	Province of Ontario 6% due 1935....	14,550.00
100 M.	Southern Pacific Co. 4% 20 year Convertible due June 1, 1929....	74,500.00
100 M.	The Texas Co. 3 year 7% Sinking Fund Coupon Notes due Mar. 1, 1923.....	97,375.00
\$1,477,700	U. S. of America 2nd Liberty Loan 4¼% due Nov. 15, 1942.....	1,251,611.90
		<hr/> \$ 2,686,949.40

*Bonds—Continued*

790 M.	U. S. of America 2nd Liberty Loan Converted 4¼% Registered, due Nov. 15, 1942.....	665,970.00
750 M.	U. S. of America Victory Loan 4¾% due May 20, 1923.....	718,500.00
50 M.	United States Rubber Co. Temporary 10 year 7½% due Aug. 1, 1930. .	47,625.00
100 M.	Western Electric Co. Incorporated 5 year 7% Convertible due Apr. 1, 1925.....	97,500.00
25 M.	Wilson & Co., Inc. 6% 10 year Con- vertible Sinking Fund due Dec. 1, 1928.....	19,875.00
25 M.	Wilson & Co., Inc. First Mortgage 6% 25 yr. Sinking Fund due Apr. 1, 1941.....	21,125.00
Total.....		<u>\$4,257,544.40</u>

*Short Term Securities*

35 M.	Certificate of Deposit of Central Union Trust Co. of New York for 35 M Brooklyn Rapid Transit Co. 3 year 7% Secured Gold Notes due July 1, 1921.....	14,000.00
\$6,250	Seaboard Air Line Railway Co. 3 year 7% Extended Secured Gold Notes due September 15, 1923.....	4,375.00
Total.....		<u>\$18,375.00</u>
Grand Total....		<u>\$5,162,106.90</u>

The operations of Amsuco Securities Company resulted as under, for the period under review:

*Income:*

Profit on sales of Securities.....	\$	85.00	
Interest.....		3,749.42	
Dividends.....		23,842.47	
Rents.....		12,000.00	\$ 39,676.89

*Outgo:*

Real Estate Expenses.....	\$	2,112.60	
Tax Registration.....		10.00	
Commission.....		505.00	
Insurance.....		433.90	
Exchanges.....		2.85	
Legal Expenses.....		75.00	
Taxes.....		1,252.69	4,392.04

The remainder, transferred to Surplus, was..... \$ 35,284.85

*Amsuco Securities Company*

Financial Statement—December 31, 1920.

*Resources:*

Cash in Bank and Office.....	\$	11,278.08
Bills and Accounts Receivable.....		49,213.50
Surety Stock Purchasers.....		1,275.00
Real Estate and Improvements.....		180,000.00
Stocks and Bonds.....		553,987.00
	\$	795,753.58

*Liabilities:*

Capital Stock.....	\$	500,000.00
Surplus and Undivided Profits.....		143,486.11
Reserve.....		150,000.00
Reserve for Ravenswood Property.....		2,267.47
	\$	795,753.58



### *Securities Owned by Amsuco Securities Company*

207 S.	American Surety Co. of N. Y.....	\$ 14,908.00
4101 S.	Mexican Surety Co. in N. Y. }	262,985.00
499 S.	Mexican Surety Co. in Mex. }	
2310 S.	The Canadian Surety Co.....	268,200.00
9 S.	Title Guaranty & Surety Co.....	450.00
100 S.	Queensboro Stor. & Ware. Co., Pfd. }	7,000.00
100 S.	Queensboro Stor. & Ware. Co. Com. }	
444 M.	Tennessee Central R. R. Co. 5% Gen. Mtg.....	444.00
		<u>\$ 553,987.00</u>

The operations of the Canadian Surety Company and of the Mexican Surety Company are pertinent inasmuch as we own more than 90% of the shares of stock of each of them.

As to Canadian, the Revenue Accounts of the Company show these results:

#### *Income:*

From Premiums.....	\$289,711.20	An increase over the previous year of \$120,183.70
From Interest.....	21,981.10	An increase over the previous year of \$1,943.11
From Profit on sale of Securities.....	1,971.34	An increase over the previous year of \$516.62
		<u>\$313,663.64</u>

#### *Outgo:*

For Expenses.....	\$154,338.89	An increase over the previous year of \$46,303.14
For Claims.....	87,745.68	An increase over the previous year of \$64,604.09
		<u>\$242,084.57</u>



Making the excess of Income over Outgo.....	\$ 71,579.07
Of this there was added to	
Premium Reserve.....	\$26,548.46
Expense Reserve.....	338.95
Special Reserve.....	4,500.00
And Ordinary Dividends Paid.....	17,500.00
	48,887.41
Leaving an addition to Surplus of.....	\$ 22,691.66

### *Canadian Surety Company*

Financial Statement—December 31, 1920.

#### *Resources:*

Cash on hand and in Banks.....	\$ 38,032.52
Bonds and Debentures at cost.....	\$ 419,968.19
Less Allowance for depreciation..	8,766.43
	411,201.76
Premiums in Course of Collection.....	55,590.90
Accrued Interest.....	6,452.69
Advances and Agency Advances.....	2,923.85
Reinsurance Receivable.....	4,943.61
	\$ 519,145.33

#### *Liabilities:*

Capital Stock.....	\$ 250,000.00
Surplus and Undivided Profits.....	79,553.76
Reserve for Unearned Premiums.....	125,535.54
Reserve for Contingent Claims.....	39,604.41
Reserve for Expenses and Taxes.....	16,897.73
Special Reserve.....	4,500.00
Reinsurance Receivable.....	3,053.89
	\$519,145.33

*Bonds and Debentures  
Owned by  
Canadian Surety Company*

7 M	Dist. of Nor. Vancouver 5% due 1960	\$ 6,379.80
7 M	Twp. of Richmond, B. C. 4½% due 1959.....	5,916.40
8 M	Town of Estevan, Sask. 5% due 1942-3	6,885.76
10 M	City of Med. Hat, Alta. 5½% due 1953	9,525.00
1 M	Rur. Mun. St. Vital, Man. 6% due 1933.....	1,012.10
3 M	Neepawa, Man. 6% due 1944.....	3,091.50
8 M	Town of North Bay, Ont. 5% due 1938-41.....	7,677.60
4 M	Town of North Bay, Ont. 5% due 1942-43.....	3,838.80
7 M	City of Portage LaPrairie, Man. 5% due 1934.....	6,642.30
1 M	City of Edmonton, Alta. 5% due 1933.	967.70
10 M	Town of Transcona, Man. 6% due 1944.....	9,950.00
\$ 1,954.69	Town of Watrous, Sask. 5½% due 1944.....	1,782.69
2 M	Twp. of Esquimalt, B. C. 5% due 1963.	1,760.00
\$ 2,464.54	Town of Smiths Falls, Ont. 5½% due 1922-4-5.....	2,487.31
\$ 682.94	Town of Sandwich, Ont. 6% due 1921.	700.22
385.36	Town of Sandwich, Ont. 6% due 1923.	397.69
768.47	Town of Sandwich, Ont. 6% due 1924.	795.44
174.58	Town of Sandwich, Ont. 6% due 1925.	181.23
1,946.66	City of Hamilton, Ont. 4% due 1940..	1,620.21
1,877.23	Town of Renfrew, Ont. 5% due 1937-41.....	1,785.45
9,964.20	Windsor, Ont. By Law No. 2167 5½% 1946-49.....	9,582.52
5 M	Prov. of Saskatchewan 5% due 1932..	4,453.00
5 M	County of Norfolk 5% due 1932.....	4,688.90
10 M	Govt. Newfoundland 6½% due 1928.	10,000.00
50 M	Dom. of Can. War Loan 5½% due 1933.....	50,000.00
4 M	Tor. Har. Comr's 4½% due 1953....	3,376.00
25 M	Dom. War Loan 5½% due 1934.....	25,000.00
1 M	Dom. War Loan 5½% due 1923.....	1,002.50
\$ 4,014.75	City of Guelph 5% due 1932.....	4,117.12

9,733.33	City of Victoria 4% due 1936.....	8,867.06
10 M	Town of Owen Sound 4½% due 1932.	9,509.00
\$ 9,733.33	City of Toronto 4% due 1948.....	8,874.85
2 M	City of Ft. William 4½% due 1952...	1,828.40
10 M	City of Belleville 4½% due 1941....	9,424.00
\$ 5,700.00	City of Stratford 4½% due 1932....	5,438.94
10,346.29	St. Hyacinthe, Que. School 4½% due 1953-60.....	9,179.13
10 M	City of Brandon, Man. 6% due 1933..	9,852.00
5 M	Town of Swift Current 6% due 1933..	5,122.50
15 M	City of Sydney, N. S. 4½% due 1942.	13,374.00
\$ 9,867.01	Twp. of Bruce, Ont. 5% due 1922....	9,755.12
17 M	Town of Sorel, Que. 5% due 1952....	16,297.90
10 M	Prov. of New Brunswick 3% due 1939	7,900.00
5 M	Town of Lindsay, Ont. 5½% due 1934	5,172.50
\$ 2,463.10	Town of Orillia 5% due 1925.....	2,383.54
2,234.10	Town of Orillia 5% due 1923.....	2,171.99
2 M	Town of Welland, Ont. 5½% due 1934	2,025.00
\$ 2,423.48	Town of Waterloo 5¾% due 1928....	2,548.29
5 M	Prov. of Quebec 4½% due 1946.....	4,295.50
\$ 4,000.00	City of St. Catherines 4% due 1935..	3,267.68
5,000.00	City of Galt 5% due 1937.....	4,538.00
5,000.00	Province of New Brunswick 6% due 1930.....	4,954.00
25,000.00	Hydro Electric Power Comm. of Ont. 4% due 1957.....	17,055.00
5,000.00	Greater Wpg. Water Dist. 6% due 1940.....	4,643.50
5,000.00	City of Toronto 6% due 1935.....	4,809.00
10,000.00	Province of Ontario 6% due 1935....	9,300.00
2,500.00	Union Trust Company, Ltd. 5½% Guaranteed Investment, due 1923.....	2,500.00
50 M	Dom. of Can. 5½% Victory Loan due 1934.....	48,500.00
£200	City of Wpg. 4½% Registered Stock due 1963.....	764.05
		<hr/>
		\$419,968.19
	Less Allowance for Depreciation.....	8,766.43
		<hr/>
		\$411,201.76

As to Mexican, the Revenue Accounts of the Company show these results:

*Income:*

From Premiums.....	P183,772.37	An increase over the previous year of 78,252.89
From Commissions.....	15,908.63	An increase over the previous year of 8,104.04
	<u>P199,681.00</u>	

*Outgo:*

For Expenses.....	P60,297.61	An increase over the previous year of 14,935.64
For Claims.....	39,983.70	A decrease from the previous year of 14.04
For Exchange.....	470.37	An increase over the previous year of 388.02
For Interest.....	957.06	An increase over the previous year of 957.06
	<u>P101,708.74</u>	

Making the excess of Income over Outgo..... P97,972.26

Of this sum there was added to

Premium Reserve.....	P53,098.74	
Reserve for Contingent Claims	10,000.00	
Reserve against Depreciation in Bank Accounts and Securities.....	9,873.52	72,972.26

Leaving an addition to Surplus of. .... P25,000.00



*Mexican Surety Company*  
Financial Statement—December 31, 1920.

*Resources:*

Cash on Hand and in Banks		
Current Funds in gold.....	14,809.21	
Old Bank Balances before currency was stabilized.....	54,765.59	
		69,574.80
Stocks and Bonds.....		204,310.00
Participation in Loan by Nacional de Mexico to Mexican Government.....		570,000.00
Due from other Companies.....		59,742.28
Premiums in Course of Collection.....		6,023.20
Interest in Course of Collection.....		2,591.28
Special Deposits in States of Vera Cruz and Tamaulipos .....		30,000.00
		<u>942,241.56</u>

*Liabilities:*

Capital Stock.....	500,000.00
Surplus and Undivided Profits.....	150,000.00
Special Reserve.....	109,873.52
Reserve for Unearned Premiums.....	92,364.45
Reserve for Contingent Claims.....	31,061.49
Collateral Deposits.....	1,775.00
Federal Pool.....	4,859.78
American Surety Company.....	13,867.32
Bills Payable.....	37,000.00
Voucher Accounts.....	1,440.00
	<u>942,241.56</u>

*Securities Owned by  
Mexican Surety Company.*

PESOS {	531,000 Mexican 6% Gold Bonds of 1913.....	53,100.00
	241,750 Mexican 3% Interior Bonds.....	120,875.00
	1,000 Internal 5% Redeemable Debt...	660.00
	\$1,000 Fourth Liberty 4½% Bonds U.S.A. .	1,675.00
	800 Shares Banco de Tamaulipos Stock...	28,000.00
		<u>204,310.00</u>



For ready reference I insert here a

*Comparative Statement*  
*American Surety Company of New York.*

Resources and Liabilities

RESOURCES:	1920	1919	Increase (I) or Decrease (D)
Real Estate.....	\$ 4,500,000.00	\$ 4,500,000.00	
New Building Construction.....	1,636,296.70		\$ 1,636,296.70 I
Securities at Market Value:			
Stocks.....	886,187.50	1,129,500.00	243,312.50D
Bonds.....	4,257,544.40	4,485,875.00	228,330.60D
Short Term Securities.....	18,375.00	83,250.00	64,875.00D
Cash in Banks and Offices.....	1,197,599.81	1,222,898.44	25,298.63D
Excise Reinsuring Fund.....	37,201.46	120,354.58	83,153.12D
Premiums in Course of Collection.....	1,535,596.12	1,264,154.79	271,441.33 I
Accrued Interest and Rents.....	45,818.47	38,413.85	7,404.62 I
Reinsurance Receivable.....	64,613.70	27,205.46	37,408.24 I
	<u>\$ 14,179,233.16</u>	<u>\$ 12,871,652.12</u>	<u>\$ 1,307,581.04 I</u>
LIABILITIES:			
Capital Stock.....	\$ 5,000,000.00	\$ 5,000,000.00	
Surplus and Undivided Profits.....	1,136,894.94	1,059,784.23	\$ 77,110.71 I
Special Reserve.....		500,000.00	500,000.00D
Reserve for Unearned Premiums.....	4,910,980.01	3,967,078.88	943,901.13 I
Reserve for Outstanding Premiums.....	433,340.44	401,822.14	31,518.30 I
Reserve for Contingent Claims.....	2,112,118.07	1,426,199.06	685,919.01 I
Reserve for Expenses and Taxes.....	504,992.89	408,079.28	96,913.61 I
Reinsurance and other Accounts Payable.....	80,906.81	108,688.53	27,781.72D
	<u>\$14,179,233.16</u>	<u>\$12,871,652.12</u>	<u>\$ 1,307,581.04 I</u>

### *General Information*

In 1920 we handled 669,585 risks, and on the last day of the year there remained in force 606,468 risks, carrying a liability of \$2,037,220,247.00.

There were presented to us:

4015	Fidelity Claims
145	Official Claims
355	Court, Contract and Depository Claims
791	Burglary Insurance Claims

Making a total of 5306

There was recovered by us \$891,881.32 in cash, against claim payments of \$2,110,959.97.

The percentage of claims paid to net premiums is.....	17.50
For the entire period.....	22.12
Of Claims asserted.....	27.25
For the entire period.....	25.16

The fact that the percentage of actual payments is so very much less for the year than the percentage of claims made does not mean that we are holding up claims, but that our purpose to create ample Reserves to meet all possible contingencies has been carried out as usual.

We are represented in this country by 40 Branch Office Managers and 14,629 Agents, an increase in number of 250.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$69,588,995.08
Its Net Paid Losses were.....	\$15,394,458.90
And its Expenses.....	39,640,095.26
	<u>55,034,554.16</u>
Leaving an Excess of.....	\$14,554,440.92
	or 20.92%
Our Stockholders have received in Cash Dividends	\$10,887,500.00

Our building operation is progressing most favorably. The mild weather has aided our efforts very materially. It is something of a task to put through such structural changes as we are obliged to make with every inch of the building occupied during the period of construction—not alone by forces on our own payrolls, but by tenants as well. It is fitting that I record here the thanks of the management to those tenants who, though they held contracts granting them certain rights, allowed us to proceed in disregard of the inconvenience caused them.

I am truly pleased that it fell to my lot to place our realty holdings on a sound footing—all anxieties in connection with the things that it was necessary to undertake to accomplish this notwithstanding. The end in view justifies the effort, for the results arising will be worth while. Aside from the very material increase in our income from this investment, we shall be in position to handle our business more economically and more expeditiously as well, so soon as we bring our forces together on four consecutive floors. They are housed all the way from the sixth to the twenty-first floor, at the moment, and were in former times scattered between this and the adjoining building, to our great disadvantage.

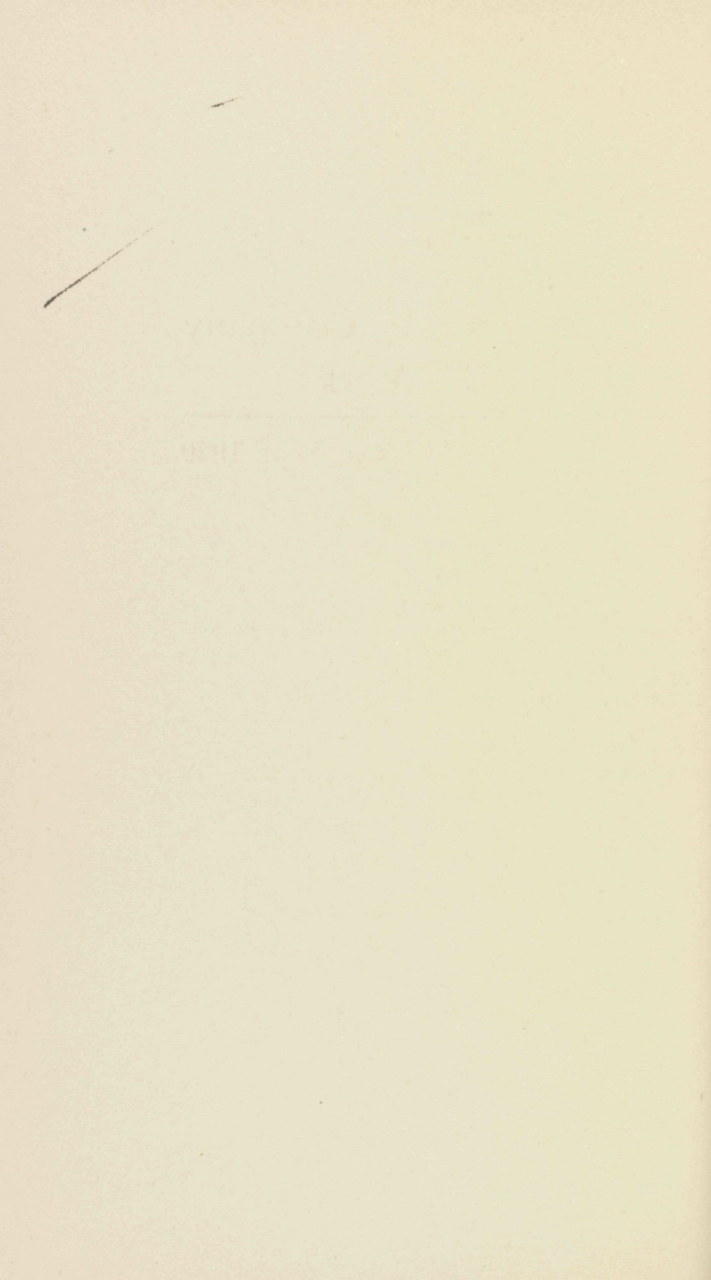
In conclusion, let me assure you that we are fully alive to the present condition of our economic situation, and that we scrutinize most closely every risk presented to us.

All of which is respectfully submitted.

F. W. LAFRENTZ,

*President.*











95.04

UNIVERSITY OF CHICAGO

B-15-1920

American Surety Company  
of New York

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Report of President for year 1921



American Surety Company  
of New York

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Report of President for year 1921





January 17, 1922.

*The Members of the Board of Trustees:*

*Gentlemen:*

Reviewing our business for 1921, we find that our Gross Premiums totaled \$785,103.20 more than in 1920; while our Net Premiums figured \$76,977.11 less, due to heavier reinsurances, refunds and cancelations.

There passed through our records during the year:

Gross premiums amounting to .....	\$11,593,627.47
Of this we paid to Reinsuring	
Companies .....	\$2,046,777.93
We made refunds aggregating...	692,116.85
And we were obliged to cancel..	1,927,694.08
	<hr/> 4,666,588.86

So that the Gross of \$11,593,627.47	
Came to a Net of .....	\$6,927,038.61

The Income and Outgo figures hereinafter set out indicate—  
1-23/100% decrease in Net Premiums  
10-79/100% decrease in Net Income from Investments; in other words 1-78/100% in Total Net Income—  
4-44/100% increase in Expenses—  
1-06/100% increase in Taxes—  
31-89/100% increase in Losses reported less Salvages; in other words 12-95/100% in Total Outgo.

Of our Net Income we retained in	
1921.....	\$703,229.39
1920.....	1,589,188.68
1919.....	1,946,795.77

The net retention is less by 55-74/100% namely, \$885,959.29.

The reduction in net retention is due to these causes:

Reduction in Net Premiums

Increase in Claims, principally on Fidelity and Depository Bonds

Increase in Expenses, caused by outlays made necessary by reason of removal of our own forces, as well as of tenants, from one position in our building to another; and, lastly,

Decrease in Investment Income, due to our building operation.

The manner in which the excess of Income over Outgo was disposed of is shown by the following summary:

*Income:*

From Premiums. . . .	\$6,927,038.61	A decrease from the previous year of \$76,977.11, for reasons heretofore stated.
From Dividends, Interest and Rents, less operating cost	386,521.87	A decrease from the previous year of \$46,751.89, because of our Building Operation.

\$7,313,560.48

*Outgo:*

For Expenses. . . . .	\$3,943,211.47	An increase over the previous year of \$167,702.69
For Taxes. . . . .	213,324.02	An increase over the previous year of \$2,247.96
For Losses. . . . .	2,413,619.05	An increase over the previous year of \$583,621.39

\$6,570,154.54

Making the excess of Income over Outgo. . . . . \$743,405.94

Add hereto:

Decreased Legal Premium Reserve. . . . .	82,691.67
Profit on Securities Sold and Increase in value of Securities unsold. . . . .	517,726.28

and we arrive at a total of . . . . . \$1,343,823.89

which sum was dealt with as follows:

There was transferred to Reserves, namely:

Expense. . . . .	\$75,581.75
Uncollectible Premiums	40,176.55
Claim. . . . .	150,000.00
	<u>265,758.30</u>

Leaving for final disposition. . . . . \$1,078,065.59

Out of this sum we paid Dividends amounting to.. 500,000.00

And the remainder, transferred to Surplus Account

was. . . . . \$ 578,065.59

The financial condition of the Company, as reflected by its books, is as follows:

### *Resources:*

#### Real Estate:

Home Office Premises Unencumbered.	\$4,050,000.00	
New Building Construction.....	4,180,535.61	
	<u>                    </u>	\$8,230,535.61

#### Securities at

#### Market Value:

Stocks.....	751,500.00	
Bonds.....	4,081,514.48	4,833,014.48

Cash in Banks and Offices.....	448,234.37	
Excise Reinsuring Fund.....	2,258.53	
Premiums in Course of Collection..	1,603,967.88	
Accrued Interest and Rents.....	133,988.91	
Reinsurance Receivable.....	47,289.64	
	<u>                    </u>	\$15,299,289.42

### *Liabilities:*

Capital Stock.....	\$5,000,000.00	
Surplus and Undivided Profits.....	1,714,960.53	
Reserve for Unearned Premiums...	4,828,288.34	
Reserve for Outstanding Premiums.	473,516.99	
Reserve for Contingent Claims.....	2,581,044.17	
Reserve for Expenses and Taxes...	580,574.64	
Reinsurance and other Accounts Payable.....	120,904.75	
	<u>                    </u>	\$15,299,289.42

*Certificate of Auditing Committee appointed  
by Board of Trustees*

We hereby certify that the statement herewith submitted corresponds with the books of this Company; that we find that the securities as reported are either in the safe deposit vaults of the Company or on deposit with various Departments of Insurance or Governmental Departments.

We wish to record our appreciation and hearty approval of the work of the Auditing and Treasury Departments.

(Signed) F. M. KIRBY,  
JOHN ANDERSON,  
V. P. SNYDER,

February 2, 1922.

*Committee.*



Other than Amsuco, which is carried at the amount paid into it by us, although actually worth considerably more as will be seen by reference to the Financial Statement, all securities owned by the Company are carried at Market Value, and consist of the following:

### *Stocks*

5000 S.	Amsuco Securities Company—No debts Capital, Surplus and Reserve, \$827,757.85.	\$500,000.00
400 S.	Chase National Bank and Chase Securities Corporation of New York . . .	112,600.00
400 S.	Endicott Johnson Corporation Preferred . . . . .	42,000.00
1500 S.	Lehigh Valley Coal Sales Co. (Par Value \$50.00) . . . . .	97,500.00
TOTAL . . . . .		\$751,500.00

### *Bonds*

25 M.	Amer. Tel. & Tel. Co. 30 year 5% Coll. Trust due December 1, 1946 . . . . .	22,875.00
50 M.	Atlantic Coast Line R. R. Co. Conv. Reg. 4% Deb. due November 1, 1939 . . . . .	37,875.00
100 M.	Canadian Northern Ry. Co. (Winnipeg Terminals) 1st Mortgage 4% due July 1, 1939 . . . . .	70,000.00
50 M.	Chicago & Northwestern Ry. Co. 5% General Mortgage due Nov. 1, 1987 . . . . .	50,000.00
50 M.	Consolidated Gas Co. 5 Year Secured 7% Conv. due Feb. 1, 1925 . . . . .	51,687.50
100 M.	B. F. Goodrich Co. 5 Year 7% Conv. Notes due April 1, 1925 . . . . .	96,750.00
100 M.	International Mercantile Marine Co. 1st Mortgage & Coll. Trust 6% due October 1, 1941 . . . . .	88,500.00
200 M.	N. Y. Central R. R. Co. 6% Conv. Deb. due May 1, 1935 . . . . .	196,500.00
100 M.	N. Y. Gas, Elec. Light, Heat & Power Co. 1st Mortgage 5% due December 1, 1948 . . . . .	93,000.00
54 M.	N. Y., N. H. & H. R. R. Co. Deb. 4% due April 1, 1922 . . . . .	37,125.00
50 M.	N. Y. State Canal Improvement 3% Reg. due July 1, 1958 . . . . .	43,500.00
35 M.	N. Y. Telephone Co. 30 Years Sinking Fund 6% Deb. due February 1, 1949 . . . . .	35,875.00

*Bonds—Continued*

50 M.	Norfolk & Western Ry. Co. Conv. 10 Year 6% due September 1, 1929.....	52,250.00
10 M.	Porto Rico 4% Reg. Gold Loan of 1915 due January 1, 1956.....	8,612.50
45 M.	The Texas Co. 3 Year 7% Sinking Fund Coupon Notes due March 1, 1923.....	45,450.00
\$1,477,700	U. S. of America 2d Liberty Loan 4¼% due November 15, 1942.....	1,427,753.74
790 M.	U. S. of America 2d Liberty Loan Conv. 4¼% Reg. due November 15, 1942...	760,928.00
100 M.	Western Elec. Co., Inc., 5 Year 7% Conv. due April 1, 1925.....	103,375.00
4 M.	Standard Oil Co. of N. Y. 7% due January 2, 1925.....	4,180.00
16 M.	Standard Oil Co. of N. Y. 7% due January 2, 1926.....	16,720.00
16 M.	Standard Oil Co. of N. Y. 7% due January 2, 1927.....	16,840.00
16 M.	Standard Oil Co. of N. Y. 7% due January 2, 1928.....	16,840.00
16 M.	Standard Oil Co. of N. Y. 7% due January 2, 1929.....	16,920.00
16 M.	Standard Oil Co. of N. Y. 7% due January 2, 1930.....	17,160.00
16 M.	Standard Oil Co. of N. Y. 7% due January 2, 1931.....	17,360.00
634 M.	U. S. of America 4th Liberty Loan 4¼% due October 15, 1938.....	616,374.80
20 M.	City of London, Ont., 6% due December 31, 1923.....	19,600.00
25 M.	Pennsylvania R. R. Co. 6½% due February 1, 1936.....	26,000.00
50 M.	Great Northern Ry. Gen'l Mortgage 7% due July 1, 1936.....	53,750.00
9 M.	Dominion of Canada 5½% Victory Bonds due November 1, 1924.....	8,370.00
35 M.	Certificate of Deposit of Central Union Trust Co. of N. Y. for 35 M. Brooklyn Rapid Transit Co. 3 Year 7% Secured Notes due July 1, 1921.....	19,950.00
9,392.94	Town Warrants.....	9,392.94
Total—Bonds.....		\$4,081,514.48
GRAND TOTAL.....		\$4,833,014.48

The operations of the Amsuco Securities Company resulted as under, for the period under review:

*Income:*

Interest.....	\$4,272.67	
Dividends.....	17,457.81	
Rents.....	12,000.00	\$33,730.48

*Outgo:*

Exchanges.....	4.39	
Expenses.....	10.25	
Taxes.....	843.28	857.92

The remainder, transferred to Surplus, was.....		\$32,872.56
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*Amsuco Securities Company*

Financial Statement—December 31, 1921.

*Resources:*

Cash in Bank and Office.....	\$559.18
Bills and Accounts Receivable.....	24,661.50
Due from employees on account of American Surety Company Stock purchased by them and secured by the stock.....	63,068.46
Real Estate and Improvements—Astoria, L. I., appraised at \$215,000.....	180,000.00
Rents Accrued.....	11,014.71
Stocks and Bonds.....	548,454.00
	<u>\$827,757.85</u>

*Liabilities:*

Capital Stock.....	500,000.00
Surplus and Undivided Profits.....	176,358.67
Reserve.....	150,000.00
Special Reserve.....	1,399.18
	<u>\$827,757.85</u>

### *Securities Owned by Amsuco Securities Company*

4101 S.	Mexican Surety Co. Held in N. Y.	}	\$262,985.00
499 S.	Mexican Surety Co. Held in Mex. (Original cost) .....		
2310 S.	The Canadian Surety Co. (original cost) ..		268,200.00
9 S.	Title Guaranty & Surety Co. ....		450.00
100 S.	Queensboro Storage & Whse. Co. Pfd. }	}	7,000.00
100 S.	Queensboro Storage & Whse. Co. Com. }		
100 S.	Chicago Pneumatic Tool Co. ....		5,000.00
444 M.	Tennessee Central R. R. Co. 5% Gen'l Mtge. ....		444.00
\$6,250	Seaboard Air Line Ry. Co. 7% Secured Notes due September 15, 1923 .....		4,375.00
			<hr/> \$548,454.00

The operations of The Canadian Surety Company and of the Mexican Surety Company—both subsidiaries to Amsuco—are not reflected in the foregoing statements, as the Holding Company did not distribute any of its surplus during the year.

As to Canadian, the Revenue Accounts of the Company show these results:

#### *Income:*

From Premiums .....	\$286,945.87	A decrease from the previous year of \$2,765.33.
From Interest .....	24,808.32	An increase over the previous year of \$2,827.22.
<hr/> \$311,754.19		

#### *Outgo:*

For Expenses .....	\$174,130.41	An increase over the previous year of \$19,791.52
For Claims .....	121,373.80	An increase over the previous year of \$33,628.12
For Loss on Sale of Debentures	278.83	There was a profit last year of \$1,971.34
<hr/> \$295,783.04		



Making the excess of Income over Outgo.....		\$15,971.15
There was added to Premium		
Reserve.....	\$16,641.90	
Investment Reserve.....	1,687.79	
Special Reserve.....	2,500.00	
And Ordinary Dividends Paid..	17,500.00	38,329.69
Resulting in a deduction from Surplus of.....		<u>\$22,358.54</u>

### *Canadian Surety Company*

Financial Statement—December 31, 1921.

#### *Resources:*

Cash on hand and in Banks.....		\$18,115.78
Bonds and Debentures at cost....	\$456,716.85	
Less Allowance for depreciation.	7,287.34	
		<u>449,429.51</u>
Premiums in Course of Collection.....		42,797.04
Accrued Interest.....		6,738.92
Advances and Agency Advances.....		5,557.83
Reinsurance Receivable.....		17,104.88
		<u>\$539,743.96</u>

#### *Liabilities:*

Capital Stock.....	\$250,000.00
Surplus and Undivided Profits.....	60,362.10
Reserve for Unearned Premiums.....	142,177.44
Reserve for Contingent Claims.....	60,741.52
Reserve for Expenses and Taxes.....	16,947.03
Reinsurance Payable.....	9,515.87
	<u>\$539,743.96</u>



### *Bonds and Debentures Owned by Canadian Surety Company*

\$4,014.75	City of Guelph, 5% due 1932.....	\$4,117.12
9,733.33	City of Victoria, 4% due 1936.....	8,867.06
10 M.	Town of Owen Sound, 4½% due 1932.....	9,509.00
9,733.33	City of Toronto, 4% due 1948.....	8,874.85
2 M.	City of Fort William, 4½% due 1952..	1,828.40
10 M.	City of Belleville, 4½% due 1941....	9,424.00
5,700.00	City of Stratford, 4½% due 1932.....	5,438.94
10,346.29	St. Hyacinthe, Que. Sch. 4½% due 1953-60.....	9,179.13
7 M.	Dist. of Nor. Vancouver, 5% due 1960	6,379.80
10 M.	City of Brandon, Man., 5% due 1933..	9,852.00
5 M.	Town of Swift Current 6% due 1933..	5,122.50
7 M.	Twp. of Richmond, B. C., 4½% due 1959.....	5,916.40
15 M.	City of Sydney, N. S., 4½% due 1942..	13,374.00
8 M.	Town of Estevan, Sask., 5% due 1942-3	6,885.76
10 M.	City of Med. Hat, Alta., 5% due 1933..	9,525.00
1 M.	Rural Mun. St. Vital, Man., 6% due 1933.....	1,012.10
3 M.	Neepawa, Man., 6% due 1944.....	3,091.50
17 M.	Town of Sorel, Que., 5% due 1952....	16,297.90
8 M.	Town of North Bay, 5% due 1938-41..	7,677.60
4 M.	Town of North Bay, 5% due 1942-43..	3,838.80
7 M.	City of Portage La Prairie, 5% due 1934	6,642.30
1 M.	City of Edmonton, Alta., 5% due 1933..	967.70
10 M.	Town of Transcona, Ma., 6% due 1944	9,950.00
10 M.	Prov. of New Brunswick, 3% due 1939	7,900.00
5 M.	Town of Lindsay, Ont., 5½% due 1934	5,172.50
1,954.69	Town of Watrous, Sask., 5½% due 1922-56.....	1,782.69
2 M.	Twp. of Esquimalt, 5% due 1963.....	1,760.00
2,463.10	Town of Orillia, 5% due 1925.....	2,383.54
2,234.10	Town of Orillia, 5% due 1923.....	2,171.99
2,464.54	Town of Smiths Falls, 5½% due 1933-5	2,487.31
2 M.	Town of Welland, 5½% due 1934....	2,025.00
385.36	Town of Sandwich, 6% due 1923.....	397.69
768.47	Town of Sandwich, 6% due 1924.....	795.44
174.58	Town of Sandwich, 6% due 1925.....	181.23
2,423.48	Town of Waterloo, 5¾% due 1928....	2,548.29
1,946.66	City of Hamilton, Ont., 4% due 1940..	1,620.21
1,877.23	Town of Renfrew, 5% due 1937-41....	1,785.45

*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

9,964.20	Windsor, Ont., By-law No. 2167 5½% due 1946-49.....	9,582.52
5 M.	County of Norfolk, 5% due 1932.....	4,688.90
10 M.	Gov't Newfoundland, 6½% due 1928.....	10,000.00
25 M.	Dominion War Loan 5½% due 1933..	25,000.00
70 M.	Dominion War Loan 5½% due 1934..	68,650.00
1 M.	Dominion War Loan 5½% due 1923..	1,002.50
4 M.	Toronto Harbor Comm. 4½% due 1953	3,376.00
5 M.	Prov. of Quebec, 4½% due 1946.....	4,295.50
4 M.	City of St. Catharines, 4% due 1935...	3,267.68
5 M.	City of Galt, 5% due 1937.....	4,538.00
5 M.	Prov. of New Brunswick, 6% due 1930..	4,954.00
25 M.	Hydro Elec. Power Comm. of Ont., 4% due 1957.....	17,055.00
5 M.	Gr. Wpg. Water Dist. 6% due 1940...	4,643.50
5 M.	City of Toronto, 6% due 1935.....	4,809.00
10 M.	Province of Ont., 6% due 1935.....	9,300.00
2,500.00	Union Trust Co., Ltd., Guar. Invest. 5½% due 1923.....	2,500.00
973.33	City of Wpg. Reg. Stock, 4½% due 1963.....	764.05
10 M.	City of Toronto, 5½% due 1927.....	9,426.00
6 M.	City of Halifax, 6% due 1931.....	5,781.60
4 M.	Twp. of York, 6% due 1931.....	3,828.40
5 M.	Prov. of Saskatchewan, due 1936 6%.	4,950.00
10 M.	Hydro Elec. Power Comm. of Ont. 6% due 1941.....	9,661.00
50 M.	City of Toronto, 6% due 1945.....	47,860.00
		<hr/>
		\$456,716.85
	Less Allowance for Depreciation....	7,287.34
		<hr/>
		\$449,429.51

As to Mexican, the Revenue Accounts of the Company show these results:

*Income:*

From Premiums . . . . .	P246,851.05	An increase over the previous year of P63,078.68
From Commissions . . . . .	42,099.23	An increase over the previous year of P26,190.60
From Interest and Dividends . . . . .	5,310.05	An increase over the previous year of P6,267.11—payments exceeding receipts.
	<u>P294,260.33</u>	

*Outgo:*

For Expenses . . . . .	P 69,522.89	An increase over the previous year of P9,224.48.
For Claims . . . . .	59,871.73	An increase over the previous year of P19,888.03.
For Exchange . . . . .	16.83	A decrease from the previous year of P453.54.
	<u>P129,411.45</u>	

Making the excess of Income over Outgo . . . . . P164,848.88

Of this sum was added to

Premium Reserve . . . . .	P 39,930.69
Reserve for Contingent Claims . . . . .	30,000.00
Reserve against Investments and Bank Balances . . . . .	40,126.48

Addition to Surplus of . . . . . P110,057.17  
50,000.00

160,057.17

Leaving Undivided Profits of . . . . .

P4,791.71

*Mexican Surety Company*

Financial Statement—December 31, 1921.

*Resources:*

Cash on Hand and in Banks		
Current Funds in Gold . . . . .	P 7,941.63	
Old Bank Balances Before Currency was Stabilized . . . . .	62,448.61	P 70,390.24
Stocks and Bonds . . . . .		212,391.87
Participation in Loan by Nacional de Mexico to Mexican Government . . . . .		570,000.00
Due from other Companies . . . . .		77,222.45
Premiums in Course of Collection . . . . .		113,535.09
Interest in Course of Collection . . . . .		2,684.56
Special Deposits in States of Vera Cruz and Tamaulipas . . . . .		30,000.00
		<u>P1,076,224.21</u>

*Liabilities:*

Capital Stock . . . . .	P500,000.00
Surplus . . . . .	200,000.00
Undivided Profits . . . . .	4,791.71
Reserve for Unearned Premiums . . . . .	132,295.14
Special Reserve . . . . .	150,000.00
Reserve for Contingent Claims . . . . .	53,861.46
Federal Pool . . . . .	4,859.79
Collateral Deposits . . . . .	4,619.98
American Surety Company . . . . .	23,296.13
Voucher Account . . . . .	2,500.00
	<u>P1,076,224.21</u>

*Securities Owned by Mexican Surety Company*

Pesos { 531,000 Mexican 6% Gold Bonds of 1913 . . . . .	P 53,100.00
256,750 Mexican 3% Interior Bonds . . . . .	123,881.87
1,000 Internal 5% Redeemable Debt . . . . .	660.00
\$1,000 Fourth Liberty 4¼% Bonds, U. S. A. . . . .	1,750.00
800 Shares Banco de Tamaulipas Stock . . . . .	28,000.00
1 Share Mexico City Country Club . . . . .	5,000.00
	<u>P 212,391.87</u>



For ready reference I insert here a

*Comparative Statement*  
*American Surety Company of New York.*

Resources and Liabilities

RESOURCES:	1921	1920	Increase (I) or Decrease (D)
Real Estate.....	\$4,050,000.00	\$4,500,000.00	\$ 450,000.00D
New Building Construction.....	4,180,535.61	1,636,296.70	2,544,238.91 I
Securities at Market Value:			
Stocks.....	751,500.00	886,187.50	134,687.50D
Bonds.....	4,081,514.48	4,275,919.40	194,404.92D
Cash in Banks and Offices	448,234.37	1,197,599.81	749,365.44D
Excise Reinsuring Fund.	2,258.53	37,201.46	34,942.93D
Premiums in Course of Collection.....	1,603,967.88	1,535,596.12	68,371.76 I
Accrued Interest and Rents.....	133,988.91	45,818.47	88,170.44 I
Reinsurance Receivable.	47,289.64	64,613.70	17,324.06D
	<u>\$15,299,289.42</u>	<u>\$14,179,233.16</u>	<u>\$1,120,056.26 I</u>

LIABILITIES:

Capital Stock.....	\$5,000,000.00	\$5,000,000.00	
Surplus and Undivided Profits.....	1,714,960.53	1,136,894.94	\$578,065.59 I
Reserve for Unearned Premiums.....	4,828,288.34	4,910,980.01	82,691.67D
Reserve for Outstanding Premiums.....	473,516.99	433,340.44	40,176.55 I
Reserve for Contingent Claims.....	2,581,044.17	2,112,118.07	468,926.10 I
Reserve for Expenses and Taxes.....	580,574.64	504,992.89	75,581.75 I
Reinsurance and other Accounts Payable....	120,904.75	80,906.81	39,997.94 I
	<u>\$15,299,289.42</u>	<u>\$14,179,233.16</u>	<u>\$1,120,056.26 I</u>



## *General Information*

In 1921 we handled 611,531 risks, and on the last day of the year there remained in force 506,425, carrying a liability of \$1,910,506,690.

There were presented to us:

3841 Fidelity Claims
205 Official Claims
528 Court, Contract and Depository Claims
1181 Burglary Insurance Claims

Making a total of 5755

An increase of 449

There was recovered by us \$1,110,645.98 in cash, against claim payments of \$3,205,338.93.

Percentage of Surety Claims paid to Net Premiums—	
Year 1921.....	28.14
Percentage of Burglary Claims paid to Net Premiums—	
Year 1921.....	52.53
Percentage of Surety Claims paid to Net Premiums—	
Entire Period.....	22.57
Percentage of Burglary Claims paid to Net Premiums—	
Entire period.....	35.42

We are represented in this country by 40 Branch Office Managers, 3 Service Station Managers, 2 Sub-Branch Managers and 14,929 Agents, an increase of 300.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$76,516,033.69
Its Net Paid Losses were.....	\$17,489,151.85
And its Expenses.....	43,796,630.75

Leaving an excess of..... \$15,230,251.09

or 19.90%

Our Stockholders have received in Cash Dividends \$11,387,500.00

The Increase in Surplus is due in large measure to the increase in value of securities which took place during the year. We received the full benefit of the upward trend, because we carried our securities at market value at all times.

A Voluntary Reserve of \$473,516.99 is shown on our statement against Premiums in Course of Collection of \$1,603,967.88, to take care of such items on the list as may hereafter prove uncollectible for one cause or another. These accounts are in good condition. We keep five Auditors on the road constantly, for the purpose of aiding Branch Managers in the collection of premiums and to round up evidence of the cancelation of risks—a thing often neglected by the Manager, who should be and is primarily a producer.

The percentages of overdue premiums to the total outstanding for the past four years are as follows:

1918.....	47.9%
1919.....	34.61%
1920.....	35.95%
1921.....	31.3%

The Claim Reserve is ample to take care of all cases that have been reported, or in which notice has been served, and there is added \$150,000 to cover eventualities.

The Expense Reserve is more than sufficient to meet all items in transit between Branch Offices and Home Office; all taxes that may be levied during the current year,—Federal, State and Local; all commissions and brokerages on premiums in course of collection, and all expenses in connection with pending claims, other than salaries of permanent employees.

Our building is now practically completed, and matters financial ought to be somewhat less troublesome from now on, as rents are flowing into our treasury in greater volume each month. About 82% of the floor area is occupied, and the greater part of the remaining space will doubtless be taken by May first. Messrs.

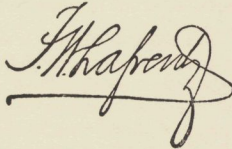
Horace S. Ely & Co. have been appointed Managers of the property under a five-year contract, on very favorable terms. Title to the Wall Street wing was passed during the year, and we remain tenants of a portion of this structure for the time being, as our files containing canceled bonds and papers connected therewith are stored there pending the arrival of new steel filing cabinets for use in our sub-basement.

We own Salvage Assets, not reflected in our financial statement, which should produce not less than \$500,000.00. Many of the claims made against us last year grew out of Depository Bonds issued and as banks are revived or liquidated we shall receive our advances in whole or in part, as the case may be.

The various Departments and Divisions of our organization are now lodged in their permanent locations, and intercourse between them will be greatly facilitated. Furthermore, our Comptroller has arranged to calculate Reserves by the Hollerith machine, and there should be a considerable saving in the handling of the mass of details incident to our business.

As to the immediate future, I have advised all hands to continue to scrutinize all offerings involving credit with great care.

All of which is respectfully submitted,

A handwritten signature in dark ink, appearing to read "J. H. Chapin". The signature is fluid and cursive, with a long horizontal flourish extending to the left from the bottom of the name.

*President.*











1928

# American Surety Company of New York

*Report of President  
for Year 1922*





American Surety Company  
of New York

*Report of President  
for Year 1922*





January 16, 1923.

*The Members of the Board of Trustees.*

*Gentlemen:*

The results arising from our operations during 1922 may be briefly summarized as follows:

Profit from Underwriting . . . . .	\$630,875.72
Less Increase in Unearned Premiums of . . . . .	220,238.57
	<hr/>
	\$410,637.15
	<hr/>
Net Income from Investments . . . . .	\$764,726.93
Less allowance to New York Trust Co. on account of vaults and interior finish . . . . .	200,000.00
	<hr/>
	\$564,726.93

There passed through our records during the year:

Gross premiums amounting to . . . . .	\$11,737,823.80
Of this we paid to Reinsuring Companies . . . . .	\$1,846,960.24
We made refunds aggregating . . . . .	629,531.28
And we were obliged to cancel . . . . .	1,750,795.46
	<hr/>
	\$ 4,227,286.98

So that the Gross of \$11,737,823.80	
Came to a Net of . . . . .	\$ 7,510,536.82

The Income and Outgo figures hereinafter set out indicate—

- 8.42% increase in Net Premiums
- 97.84% increase in Net Income from Investments; in other words 13.14% in Total Income.
- 8.70% increase in Expenses—
- 1.11% increase in Taxes—
- 4.03% increase in Losses reported less Salvages; in other words 6.73% in Total Outgo.

Of our Net Income we retained in

1922 . . . . .	\$1,384,178.62
1921 . . . . .	703,229.39

The net is greater by \$680,949.23 or 49.19% than the previous year.

This increase is due to these causes:

- Increase in Net Premiums without increase in the expense ratio
- Increase in Investment Income
- Decrease in percentage of Claims to Premiums

The following summary gives the Income and Outgo for the period and shows the manner in which the excess of Income over Outgo was disposed of:

*Income:*

From Premiums...	\$7,510,536.82	An increase over the previous year of \$583,498.21.
From Dividends, Interest and Rents, less operating cost	764,726.93	An increase over the previous year of \$378,205.06.
	<u>\$8,275,263.75</u>	

*Outgo:*

For Expenses.....	4,153,063.94	An increase over the previous year of \$343,164.77.
For Taxes.....	215,708.78	An increase over the previous year of \$2,384.76
For losses less Salvages.....	2,510,888.38	An increase over the previous year of \$97,269.33.
	<u>\$6,879,661.10</u>	

Making the excess of Income over Outgo.....\$1,395,602.65

Add hereto:

Profit on Securities Sold and Increase in value of Securities Unsold.....	192,285.86
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and we arrive at a total of.....\$1,587,888.51  
which sum was dealt with as follows:

There was transferred to Reserves; namely:

Unearned Premiums..	\$220,238.57	
Expenses and Taxes..	19,425.36	
Uncollectible Premiums..	11,424.03	
Depreciation of American Surety Building	100,000.00	
Division of floor space and allowance to New York Trust Co.	234,681.92	585,769.88

Leaving for final disposition.....\$1,002,118.63

Out of this sum we paid Dividends amounting to.... 500,000.00

And the remainder; namely..... 502,118.63  
was transferred to Surplus Account.

At December 31, 1922, the financial condition of the Company, as reflected by its books, was as follows:

### *Resources:*

#### Real Estate:

—Home Office Premises, unencumbered..	\$8,871,280.82
---------------------------------------	----------------

#### Securities at

#### Market Value:

U. S. Bonds.....	\$3,207,205.82	
Other Bonds.....	844,813.75	
Stocks.....	758,550.00	4,810,569.57

Cash in Banks and Offices.....	536,244.15	
Premiums in course of collection....	1,670,280.48	
Accrued interest and rents.....	45,724.74	
Reinsurance and other Accounts Receivable.....	69,031.37	
Funds held by Surety Pool—Excise-Motor Vehicle.....	17,696.49	
		<u>\$16,020,827.62</u>

### *Liabilities:*

Capital Stock.....	\$5,000,000.00	
Surplus and Undivided Profits.....	2,217,079.16	
Reserve for Unearned Premiums....	5,048,526.91	
Reserve for Contingent Claims.....	2,620,319.67	
Reserve for Expenses and Taxes....	600,000.00	
Reserve against outstanding Premiums	484,941.02	
Reinsurance and other Accounts Payable..	49,960.86	
		<u>\$16,020,827.62</u>

Other than Amsuco, which is carried at the amount paid into it by us, although actually worth considerably more as will be seen by reference to the Financial Statement, all securities owned by the Company are carried at Market Value, and consist of the following:

### *Stocks*

5000 S. Amsuco Securities Company—No debts Capital, Surplus and Reserve, \$852,043.29	\$500,000.00
400 S. Chase National Bank of New York & Chase Securities Corp. of N. Y.....	134,800.00
1500 S. Lehigh Valley Coal Sales Company (Par value \$50.00) .....	123,750.00
TOTAL .....	\$758,550.00

### *Bonds*

\$ 50,000 Atlantic Coast Line R. R. Co. Con- vertible Reg. 4% Debenture due Nov. 1, 1939 .....	40,500.00
35,000 Certificate of Deposit of Central Union Trust Co. of New York for 35 M Brooklyn Rapid Transit Co. 3 year 7% Secured Gold Notes due July 1, 1921 .....	29,050.00
100,000 Canadian Northern Ry. Co. (Winnipeg Terminals) 1st Mtge. 4% due July 1, 1939 .....	80,000.00
50,000 Chicago & Northwestern Ry. 5% Gen- eral Mortgage due Nov. 1, 1987 .....	52,250.00
20,000 City of London, Ont. 6% due Dec. 30, 1923 .....	19,950.00
25,000 Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Ref. & Imp. 6% Series "A" J. & J. due July 1, 1929 ...	25,312.50
25,000 Cleveland Union Terminals Co. First Mortgage Sinking Fund 5½% Gold Series "A" due April 1, 1972 .....	26,062.50



*Bonds—Continued*

50,000	Great Northern Ry. Genl. Mortgage 7% due July 1, 1936.....	55,250.00
100,000	International Mercantile Marine Co. 1st Mtg. & Coll. Trust 6% due Oct. 1, 1941.....	90,000.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. 5% J. & J. due April 1, 1950....	22,250.00
100,000	New York Central R. R. Co. 6% Conv. Deb. due May 1, 1935 .....	104,500.00
100,000	N. Y. Gas, Elec. Light, Heat & Power Co., 1st Mtg. 5% due December 1, 1948.....	99,000.00
50,000	N. Y. State Canal Improvement 3% Reg. due July 1, 1958.....	47,500.00
35,000	N. Y. Telephone Co. 30 year Sinking Fund 6% Debenture due Feb. 1, 1949	37,318.75
10,000	Porto Rico 4% Registered Gold Loan of 1915 due Jan. 1, 1956.....	9,200.00
100,000	Standard Oil Co. of N. Y. 7% due due Jan. 2, 1925 to 1931 incl.....	106,670.00
1,277,700.	U. S. of America 2nd Liberty Loan 4¼% due Nov. 15, 1942.....	1,258,023.42
790,000	U. S. of America 2nd Liberty Loan con- verted 4¼% Registered due Nov. 15, 1942.....	775,780.00
300,000	U. S. of America 3rd Liberty Loan 4¼% due Sept. 15, 1928.....	296,880.00
634,000	U. S. of America 4th Liberty Loan 4¼% due Oct. 15, 1938.....	626,772.40
250,000	U. S. of America 4¼% Treasury Bonds due 1947-52.....	249,750.00
Total.....		\$4,052,019.57
GRAND TOTAL OF STOCKS AND BONDS		\$4,810,569.57



The operations of the Amsuco Securities Company resulted as under, for the period under review:

*Income:*

Dividends . . . . .	\$16,470.00	
Rents . . . . .	3,595.79	
Interest . . . . .	3,604.51	
Profits on Sales of Securities . . . . .	6,408.50	\$30,078.80

*Outgo:*

Taxes . . . . .	3,893.35	
Insurance . . . . .	433.90	
Brokerage . . . . .	35.40	
Expenses . . . . .	27.37	
Exchange . . . . .	4.16	4,394.18

The remainder transferred to Surplus was . . . . . 25,684.62  
 Making a total surplus of . . . . . \$202,043.29  
 of which \$100,000 was transferred to Reserve, raising said Reserve to \$250,000, leaving in Surplus \$102,043.29.

*Amsuco Securities Company*

Financial Statement—December 31, 1922.

*Resources:*

Real Estate and Improvements—Astoria, L. I., appraised at \$215,000 . . . . .	\$200,000.00
Stocks and Bonds . . . . .	541,985.00
Cash in Bank and Office . . . . .	12,209.60
Bills and Accounts Receivable and Mortgage Loans. Due from Employees on account of American Surety Company Stock purchased by them and secured by the stock . . . . .	56,243.50
	41,605.19
	<u>\$852,043.29</u>

*Liabilities*

Capital Stock . . . . .	\$500,000.00
Surplus and Undivided Profits . . . . .	102,043.29
Reserve . . . . .	250,000.00
	<u>\$852,043.29</u>

*Securities Owned by Amsuco Securities Company*

4101 S.	Mexican Surety Co.	{ Held in N.Y. }	
524 S.	Mexican Surety Co.	{ Held in Mex. }	
	(Original cost).....		\$263,360.00
2310 S.	The Canadian Surety Co. (original cost)...		268,200.00
10 M.	Galveston, Harrisburg & San Antonio Ry. Co. Mex. & Pacific Extension 1st Mtge. 5% Coupon Bonds due May 1, 1931, at 99 $\frac{3}{4}$ .....		9,975.00
9 S.	Title Guaranty & Surety Co.....		450.00
			<u>\$541,985.00</u>

The operations of The Canadian Surety Company and of the Mexican Surety Company (both subsidiaries to Amsuco) are treated separately and are not included in the figures heretofore given.

As to Canadian, the Revenue Accounts of the Company show these results:

*Income:*

From Premiums.....	\$348,179.21	An increase over the previous year of \$61,233.34.
From Interest.....	25,555.21	An increase over the previous year of \$746.89.
<u>\$373,734.42</u>		

*Outgo:*

For Expenses.....	213,407.38	An increase over the previous year of \$36,776.97.
For Losses less Salvages.....	124,564.20	An increase over the previous year of \$3,190.40.
For Loss on Sale of Debentures.....	1,204.86	An increase over the previous year of \$926.03.
<u>\$339,176.44</u>		

Making the excess of Income over Outgo.....		\$34,557.98
Add to this:		
Decrease in Expense Reserve.....	\$18,167.15	
Decrease in Special Reserve.....	10,000.00	28,167.15
		<hr/>
		\$62,725.13
And deduct:		
Increase in Premium Reserve.....	19,324.08	
Increase in Claim Reserve.....	8,000.00	
Ordinary Dividends Paid.....	17,500.00	44,824.08
		<hr/>
Resulting in an increase in Surplus of.....		\$17,901.05

### *The Canadian Surety Company*

Financial Statement—December 31, 1922.

#### *Resources:*

Bonds and Debentures at cost.....	\$478,431.26	
Less allowance for depreciation.....	8,390.74	470,040.52
		<hr/>
Cash on hand and in banks.....		\$29,647.29
Premiums in course of collection.....		47,484.86
Accrued Interest.....		5,824.69
Agency Advances.....		7,909.04
Reinsurance Receivable.....		5,051.01
		<hr/>
		\$565,957.41

#### *Liabilities:*

Capital Stock.....	\$250,000.00
Surplus and Undivided Profits.....	78,263.15
Reserve for Unearned Premiums.....	161,501.52
Reserve for Contingent Claims.....	49,684.57
Reserve for Expenses and Taxes.....	16,488.34
Reinsurance Payable.....	10,019.83
	<hr/>
	\$565,957.41

*Bonds and Debentures Owned by  
Canadian Surety Company*

\$4,014.75	City of Guelph, 5% due 1932.....	\$4,117.12
9,733.33	City of Victoria, 4% due 1936.....	8,867.06
10,000.00	Town of Owen Sound, 4½% due 1932	9,509.00
9,733.33	City of Toronto, 4% due 1948.....	8,874.85
2,000.00	City of Fort William, 4½% due 1952.	1,828.40
10,000.00	City of Belleville, 4½% due 1941....	9,424.00
5,700.00	City of Stratford, 4½% due 1932....	5,438.94
10,346.29	St. Hyacinthe, Que. Sch. 4½% due 1953-60.....	9,179.13
7,000.00	Dist. of Nor. Vancouver, 5% due 1960.	6,379.80
10,000.00	City of Brandon, Man., 5% due 1933..	9,852.00
5,000.00	Town of Swift Current, 6% due 1933.	5,122.50
7,000.00	Twp. of Richmond, B. C., 4½% due 1959.....	5,916.40
15,000.00	City of Sydney, N. S., 4½% due 1942	13,374.00
8,000.00	Town of Estevan, Sask., 5% due 1942-3	6,885.76
10,000.00	City of Med. Hat., Alta., 5% due 1933	9,525.00
1,000.00	Rural Mun. St. Vital, Man., 6% due 1933.....	1,012.10
3,000.00	Neepawa, Man., 6% due 1944.....	3,091.50
17,000.00	Town of Sorel, Que., 5% due 1952....	16,297.90
8,000.00	Town of North Bay, 5% due 1938-41	7,677.60
4,000.00	Town of North Bay, 5% due 1942-43	3,838.80
7,000.00	City of Portage La Prairie, 5% due 1934.....	6,642.30
1,000.00	City of Edmonton, Alta., 5% due 1933.	967.70
10,000.00	Town of Transcona, Man., 6% due 1944	9,950.00
10,000.00	Prov. of New Brunswick, 3% due 1939.	7,900.00
5,000.00	Town of Lindsay, Ont., 5½% due 1934	5,172.50
1,916.48	Town of Watrous, Sask., 5½% due 1956.....	1,744.48
2,000.00	Twp. of Esquimalt, 5% due 1963.....	1,760.00
2,463.10	Town of Orillia, 5% due 1925.....	2,383.54
2,234.10	Town of Orillia, 5% due 1923.....	2,171.99
2,464.54	Town of Smiths Falls, 5½% due 1933-5	2,487.31
2,000.00	Town of Welland, 5½% due 1934.....	2,025.00
385.36	Town of Sandwich, 6% due 1923.....	397.69
768.47	Town of Sandwich, 6% due 1924.....	795.44
174.58	Town of Sandwich, 6% due 1925.....	181.23
2,423.48	Town of Waterloo, 5¾% due 1928....	2,548.29
1,946.66	City of Hamilton, Ont., 4% due 1940...	1,620.21



*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

\$1,877.23	Town of Renfrew, 5% due 1937-41.....	\$1,785.45
9,964.20	Windsor, Ont., By-Law No. 2167 5½% due 1946-49.....	9,582.52
5,000.00	County of Norfolk, 5% due 1932.....	4,688.90
10,000.00	Government Newfoundland, 6½% due 1928.....	10,000.00
25,000.00	Dominion War Loan 5½% due 1933....	25,000.00
65,000.00	Dominion War Loan 5½% due 1934..	63,800.00
4,000.00	Toronto Harbor Comm. 4½% due 1953.....	3,376.00
5,000.00	Prov. of Quebec 4½% due 1946.....	4,295.50
4,000.00	City of St. Catharines, 4% due 1935...	3,267.68
5,000.00	City of Galt, 5% due 1937.....	4,538.00
5,000.00	Prov. of New Brunswick 6% due 1930..	4,954.00
25,000.00	Hydro Elec. Power Comm. of Ont. 4% due 1957.....	17,055.00
5,000.00	Gr. Wpg. Water Dist. 6% due 1940....	4,643.50
5,000.00	City of Toronto 6% due 1935.....	4,809.00
10,000.00	Province of Ont. 6% due 1935.....	9,300.00
2,500.00	Union Trust Co., Ltd., Guar. Invest. 5½% due 1923.....	2,500.00
1,703.33	City of Wpg. Reg. Stock, 4½% due 1963.....	1,371.77
10,000.00	City of Toronto 5½% due 1927.....	9,426.00
6,000.00	City of Halifax 6% due 1931.....	5,781.60
4,000.00	Twp. of York, 6% due 1931.....	3,828.40
5,000.00	Prov. of Saskatchewan due 1936 6%..	4,950.00
10,000.00	Hydro Elec. Power Comm. of Ont. 6% due 1941.....	9,661.00
50,000.00	City of Toronto 6% due 1945.....	47,860.00
5,000.00	City of Regina 5½% due 1942.....	4,911.00
7,000.00	Province of Ontario 6% due 1941-43..	7,084.00
15,000.00	Dominion of Canada War Loan 5½% due 1932.....	15,002.40
Cost of Securities.....		\$478,431.26
Deduct allowance for depreciation.....		8,390.74
Market Value.....		<u>\$470,040.52</u>



As to Mexican, the Revenue Accounts of the Company show these results:

*Income:*

From Premiums.....	P265,234.19	An increase over the previous year of P18,383.14.
From Commissions.....	37,672.31	A decrease from the previous year of P4,426.92.
From Interest and Dividends..	11,563.28	An increase over the previous year of P6,253.23.
	<hr/>	
	P314,469.78	

*Outgo:*

For Expenses.....	P 86,453.93	An increase over the previous year of P16,931.04.
For Claims.....	117,318.08	An increase over the previous year of P57,446.35.
For Exchange.....	2,256.72	An increase over the previous year of P2,239.89.
	<hr/>	
	P206,028.73	

Making the excess of Income over Outgo....	P108,441.05
Add Undivided Profits of last year.....	4,791.71
	<hr/>
	113,232.76

Of this sum there was added to		
Premium Reserve.....	P13,042.65	
And to Reserve against Investments and Bank Balances	100,000.00	113,042.65
	<hr/>	
Leaving in Undivided Profits.....		P190.11

## *Mexican Surety Company*

Financial Statement—December 31, 1922.

### *Resources:*

Cash on Hand and in Banks:			
Current Funds in Gold.....	P33,337.72		
Old Bank Balances Before Currency was Stabilized.....	61,533.06		P94,870.78
Stocks and Bonds.....			288,165.31
Participation in Loan by Banco Nacional de Mexico to Mexican Government.....			570,000.00
Loans on Bond and Mortgage.....			122,405.18
Loans on Sundry Items.....			7,499.33
Special Deposits in States of Vera Cruz and Jalisco			30,000.00
Due from other Companies.....			12,969.23
Premiums in Course of Collection.....			67,809.92
Interest in Course of Collection.....			4,469.03
			<u>P1,198,188.78</u>

### *Liabilities.*

Capital Stock.....	P500,000.00
Surplus and Undivided Profits.....	200,190.11
Special Reserve.....	250,000.00
Reserve for Unearned Premiums.....	145,337.79
Reserve for Contingent Claims.....	64,799.90
American Surety Company.....	25,881.21
Federal Pool.....	4,859.79
Collateral Deposits.....	4,619.98
Voucher Account.....	2,500.00
	<u>P1,198,188.78</u>

### *Securities Owned by Mexican Surety Company*

Pesos {	531,000 Mexican 6% Gold Bonds of 1913	P53,100.00
	299,500 Mexican 3% Interior Bonds....	133,155.31
	1,000 Internal 5% Redeemable Debt..	660.00
\$10,000	C. B. & Q. R. R. Co. 1st Mtg. Bonds at 5%	19,600.00
10,000	Hudson & Manhattan R. R. Co. 5% Bonds	12,900.00
17,000	Pittsburgh Crucible Steel Co. 1st Mtg. 5% Bonds.....	34,000.00
1,000	Fourth Liberty 4¼% Bonds U. S. A.....	1,750.00
800	Shares Banco de Tamulipas Stock.....	28,000.00
1	Share Mexico City Country Club.....	5,000.00
		<u>P288,165.31</u>

For ready reference I insert here a

*Comparative Statement*  
*American Surety Company of New York.*

Resources and Liabilities

RESOURCES:	1922	1921	Increase (I) or Decrease (D)
Real Estate . . . . .	\$8,871,280.82	\$8,230,535.61	\$640,745.21 I
Securities at Market Value:			
Stocks . . . . .	758,550.00	751,500.00	7,050.00 I
U. S. Bonds . . . . .	3,207,205.82	2,805,056.54	402,149.28 I
Other Bonds . . . . .	844,813.75	1,276,457.94	431,644.19D
Cash in Banks and Offices . . . . .	536,244.15	448,234.37	88,009.78 I
Premiums in Course of Col- lection . . . . .	1,670,280.48	1,603,967.88	66,312.60 I
Accrued Interest and Rents . . . . .	45,724.74	133,988.91	88,264.17D
Reinsurance and Other Accounts Receivable . . . . .	69,031.37	47,289.64	21,741.73 I
Funds held by Surety Pool- Excise — Motor Vehicle . . . . .	17,696.49	2,258.53	15,437.96 I
	<u>\$16,020,827.62</u>	<u>\$15,299,289.42</u>	<u>\$721,538.20 I</u>
LIABILITIES:			
Capital Stock . . . . .	5,000,000.00	5,000,000.00	
Surplus and Un- divided profits . . . . .	2,217,079.16	1,714,960.53	502,118.63 I
Reserve for Un- earned Pre- miums . . . . .	5,048,526.91	4,828,288.34	220,238.57 I
Reserve for Con- tingent Claims . . . . .	2,620,319.67	2,581,044.17	39,275.50 I
Reserve for Ex- penses & taxes . . . . .	600,000.00	580,574.64	19,425.36 I
Reserve against Outstanding Premiums . . . . .	484,941.02	473,516.99	11,424.03 I
Reinsurance and Other Accounts Payable . . . . .	49,960.86	120,904.75	70,943.89D
	<u>\$16,020,827.62</u>	<u>\$15,299,289.42</u>	<u>\$721,538.20 I</u>

### *General Information*

On the last day of 1922 there remained in force bonds carrying a liability of \$1,941,458,533.

There were presented to us during 1922:

3217 Fidelity Claims
392 Official Claims
574 Court, Contract and Depository Claims
1084 Burglary Insurance Claims
30 Forgery Claims

Making a total of 5297

A decrease of 458 as compared with 1921.

There was recovered by us \$786,652.54 in cash, against claim payments of \$3,258,265.42.

Percentage of Surety Claims paid to Net Premiums—

Year 1922.....	36.23
----------------	-------

Percentage of Burglary Claims paid to Net Premiums—

Year 1922.....	37.45
----------------	-------

Percentage of Surety Claims paid to Net Premiums—

Entire Period.....	23.39
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Percentage of Burglary Claims paid to Net Premiums—

Entire period.....	36.01
--------------------	-------

We are represented in this country by 42 Branch Office Managers, 2 Service Station Managers, and 15,170 Agents, an increase of 241.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$84,026,570.51
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Its Net Paid Losses were.....	\$19,960,764.73
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And its Expenses.....	48,537,496.11	68,498,260.84
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Leaving an excess from underwriting, subject to Reserves, of.....

\$15,528,309.67
-----------------

or.....

18.48%
--------

Our Stockholders have received in Cash Dividends.....

11,887,500.00
---------------

A Voluntary Reserve of \$484,941.02 is shown on our statement against Premiums in Course of Collection of \$1,670,280.48, to take care of such items on the list as may hereafter prove uncollectible for one cause or another. These accounts are in good condition. We keep five Auditors on the road constantly, for the purpose of aiding Branch Managers in the collection of premiums and to round up evidence of the cancelation of risks,—



a thing often neglected by the Manager, who should be and is primarily a producer.

The percentages of overdue premiums to the total outstanding for the past five years are as follows:

1918.....	47.9%
1919.....	34.61%
1920.....	35.95%
1921.....	31.3%
1922.....	30.8%

The Claim Reserve is ample to take care of all cases that have been reported, or in which notice has been served, and there is added \$150,000 to cover eventualities, in accordance with a ruling of the Insurance Department.

The Expense Reserve is more than sufficient to meet all items in transit between Branch Offices and Home Office; all taxes that may be levied during the current year,—Federal, State and Local; all commissions and brokerages on premiums in course of collection, and all expenses in connection with pending claims, other than salaries of permanent employees.

We own Salvage Assets, not reflected in our financial statement, which should produce not less than \$750,000.

On January 1, 1917, the payroll (\$1,056,605) was 20% of the gross premiums for the preceding year (\$5,138,851.87); whereas efficiency in handling our affairs made possible the taking care of \$11,737,823.80 of gross business in 1922 with a payroll of \$1,880,934.00, or 16%. Each employee handled an average of \$10,341.60 of gross premiums in 1922 as against \$5,582.90 in 1916, and despite the decrease in the ratio of salaries to premiums, the average pay per employee increased from \$1,203.00 per annum in 1916 to \$1,657.00 per annum in 1922.

We have in Washington an organization known as the Federal Bond Bureau which furnishes information of opportunities to bid on Government purchases, sales and construction work, and helps our clients in their efforts to secure Government contracts.

An average of 63,000 bulletins per month were sent out by the Bureau during 1921. Improved methods in 1922 increased the average to 151,000 per month at no substantial increase in expense, the unit cost having been reduced from \$0.0476 to \$0.0235.

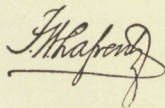
The Company numbers among its clients a large percentage



of contractors who do business with the Government regularly, and the Bureau has been responsible for attracting many of them to us and for holding them against competition.

My sincere thanks are due to those in our service for their loyal cooperation and to the members of this Board for their unfailing support.

All of which is respectfully submitted.

A handwritten signature in cursive script, reading "J. H. Chapin". The signature is written in dark ink and features a long, sweeping horizontal line that extends to the right, ending in a small loop.

*President.*











# American Surety Company of New York

*Report of President  
for Year 1923*





# American Surety Company of New York

*Report of President  
for Year 1923*





January 15, 1924.

*The Members of the Board of Trustees.*

*Gentlemen:*

Summarizing the results of our operations during 1923 we find:

The Income over Outgo to be . . . . .	\$ 1,289,893.56
A Profit from Underwriting of . . . . .	\$439,365.48
Less Increase in Unearned Premiums of . . . . .	368,234.92
	<hr/> 71,130.56
Net Income from Investments . . . . .	850,528.08

A splendid showing considering that we began the year with about sixteen millions of assets of all kinds and concluded with about seventeen millions.

There passed through our records during the year:

Gross premiums amounting to . . . . .	\$11,859,522.93
Of this we paid to Reinsuring Companies . . . . .	\$1,465,378.53
We made refunds aggregating . . . . .	665,491.99
And we were obliged to cancel . . . . .	1,673,407.79
	<hr/>
So that Gross of \$11,859,522.93 Came to a Net of . . . . .	\$ 8,055,244.62

The Income and Outgo figures hereinafter set out indicate—

- 7.25% increase in Net Premiums
- 11.22% increase in Net Income from Investments; in other words 7.62% in Total Income.
- 8.03% increase in Expenses—
- 12.68% increase in Taxes—
- 12.73% increase in Losses reported less Salvages; in other words 9.93% in Total Outgo.

Of our Net Income we retained \$1,289,893.56 in 1923  
against 1,384,178.62 in 1922  
and 703,229.39 in 1921

While there was an increase in Net Premiums and in Investment Income and the expense ratio was a fraction less, there was a marked increase in Taxes and in Claims Asserted, which accounts for the reduction in Income over Outgo. Losses on depository bonds in the Southwest and Northwest were especially heavy.



The following summary gives the Income and Outgo for the period and shows the manner in which the excess was dealt with:

*Income:*

From Premiums. . . . .	\$8,055,244.62	An increase over the previous year of \$544,707.80.
From Dividends, Interest and Rents, less operating cost	850,528.08	An increase over the previous year of \$85,801.15.
	<u>\$8,905,772.70</u>	

*Outgo:*

For Expenses. . . . .	\$4,523,995.88	An increase over the previous year of \$336,250.02.
For Taxes. . . . .	243,065.15	An increase over the previous year of \$27,356.37.
For Losses less Salvages \$1,005,520.68	2,830,619.87	An increase over the previous year of \$319,731.49.
	<u>\$7,597,680.90</u>	

Making the excess of Income over Outgo. . . . . \$1,308,091.80  
which was dealt with as follows:

There was transferred to

Reserve for Unearned Premium . . . . .	\$368,234.92	
Reserve for Expenses and Taxes. . . . .	15,166.80	
Reserve for Uncollectible Premiums. . . . .	18,198.24	
Depreciation of Building. . . . .	100,000.00	
Special Claim Reserve. . . . .	150,000.00	
For Loss on Securities Sold and Decrease in Value of Securities Unsold. . . . .	26,112.10	677,712.06
Leaving for final disposition. . . . .		<u>\$630,379.74</u>

Out of this sum we paid Dividends amounting to. . . . . 600,000.00

And the remainder, namely. . . . . \$ 30,379.74  
was transferred to Surplus Account.

*American Surety Company of New York*

Financial Statement—December 31, 1923

*Resources:*

Real Estate.....	\$8,889,970.99	
Securities at Market Value:		
Stocks.....	\$ 955,975.00	
U. S. Gov't Bonds ..	4,044,806.25	
All other Bonds.....	741,739.50	
	<hr/>	5,742,520.75
Cash in Banks and Offices.....		551,876.00
Premiums in course of collection....		1,616,925.63
Accrued interest and rents.....		53,121.23
Reinsurance and other Accounts Receivable.....		138,391.80
	<hr/>	\$16,992,806.40

*Liabilities:*

Capital Stock.....	\$5,000,000.00	
Surplus and Undivided Profits.....	2,247,458.90	
Reserve for Unearned Premiums....	5,416,761.83	
Reserve for Outstanding Premiums .	503,139.26	
Reserve for Contingent Claims.....	3,042,709.99	
Reserve for Expenses and Taxes....	615,166.80	
Reinsurance and other Accounts Payable.....		167,569.62
	<hr/>	\$16,992,806.40

## Securities owned:

*Stocks*

5000 S. Amsuco Securities Company—No debts Capital and Surplus, \$315,067.08	\$200,000.00
2595 S. The Canadian Surety Company.....	259,500.00
400 S. Chase National Bank of New York & Chase Securities Corp. of N. Y.....	137,600.00
1500 S. Lehigh Valley Coal Sales Company (Par value \$50.00) .....	115,125.00
4875 S. Compania Mexicana De Garantias S. A. (Par value \$50.00) .....	243,750.00
TOTAL.....	\$955,975.00

*Bonds*

50 M. Atlantic Coast Line R. R. Co. Conver- tible Reg. 4% Debenture due Nov. 1, 1939 .....	39,500.00
35 M. Certificate of Deposit of Central Union Trust Co. of New York for 35 M Brooklyn Rapid Transit Co. 3 year 7% Secured Gold Notes due July 1, 1921 .....	30,037.00
100 M. Canadian Northern Ry. Co. (Winnipeg Terminals) 1st Mtge. 4% due July 1, 1939 .....	82,000.00
50 M. Chicago & Northwestern Ry. 5% General Mortgage due Nov. 1, 1987 .....	49,500.00
20 M. City of Winnipeg Dominion of Canada Interim Deb. 5% due Jan. 2, 1943....	19,000.00
25 M. Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Ref. & Imp. 6% Series "A" J. & J. due July 1, 1929 .....	25,250.00
25 M. Cleveland Union Terminals Co. First Mortgage Sinking Fund 5½% Gold Series "A" due April 1, 1972 .....	25,562.50
50 M. Great Northern Ry. Genl. Mortgage 7% due July 1, 1936 .....	53,375.00
25 M. Kansas City Southern Ry. Co. Ref. & Imp. 5% J. & J. due April 1, 1950....	21,000.00

*Bonds—Continued*

100 M. New York Central R. R. Co. 6% Conv. Deb. due May 1, 1935.....	\$103,500.00
100 M. N. Y. Gas, Elec. Light, Heat & Power Co., 1st Mtg. 5% due December 1, 1948.....	97,250.00
50 M. N. Y. State Canal Improvement 3% Reg. due July 1, 1958.....	45,000.00
35 M. N. Y. Telephone Co. 30 year Sinking Fund 6% Debenture due Feb. 1, 1949	36,575.00
10 M. Porto Rico 4% Registered Gold Loan of 1915 due Jan. 1, 1956.....	8,950.00
100 M. Standard Oil Co. of N. Y. 7% due Jan. 2, 1925 to 1931 incl.....	105,240.00
1,560,000.00 U. S. of America 2nd Liberty Loan 4%, Converted into 3rd Loan, (2nd- 4 $\frac{1}{4}$ s) due November 15, 1927-42.....	1,532,212.50
790 M. U. S. of America 2nd Liberty Loan 4%, Converted into 3rd Loan, (2nd-4 $\frac{1}{4}$ s) (Registered) due November 15, 1927- 42.....	775,187.50
300 M. U. S. of America 3rd Liberty Loan 4 $\frac{1}{4}$ % due Sept. 15, 1928 (3rd-4 $\frac{1}{4}$ s).....	297,937.50
700 M. U. S. of America 4th Liberty Loan 4 $\frac{1}{4}$ % due Oct. 15, 1933-38 (4th-4 $\frac{1}{4}$ s).....	688,625.00
250 M. U. S. of America 4 $\frac{1}{4}$ % Treasury Bonds due Oct. 15, 1947-52.....	248,281.25
300 M. U. S. of America Treasury Notes Series "A" Coupon 4 $\frac{3}{4}$ % due March 15, 1926	301,500.00
100 M. U. S. of America Treasury Notes Series "B" Coupon 4 $\frac{3}{4}$ % due March 15, 1927	100,687.50
100 M. U. S. of America Treasury Notes Series "A" Coupon 4 $\frac{3}{4}$ % due March 15, 1925	100,375.00
Total.....	\$4,786,545.75
Grand Total.....	\$5,742,520.75

In conformity with an amendment of the Insurance Laws of the State, enacted by the last legislative assembly, we have acquired direct ownership of the shares of the capital stock of The Canadian Surety Company and of the Compania Mexicana de Garantias, S. A., formerly carried by our subsidiary, Amsuco Securities Company, which accounts for placing the 5,000 shares of Amsuco at the reduced valuation of \$200,000.



The operation of the Amsuco Securities Company resulted as under, for the period under review:

*Income:*

Dividends.....	\$ 45,508.80	
Interest.....	1,166.45	
Refund of 1917 Federal Income Tax.....	445.79	
Rents.....	90.00	
		\$ 47,211.04

*Outgo:*

Mexican Surety Co. Stock (Reduction from cost).....	126,672.50	
Canadian Surety Co. Stock (Reduction from cost).....	70,933.33	
Dividend.....	50,000.00	
Accounts Receivable (charged off) ..	19,548.50	
Bills Receivable (charged off).....	8,045.00	
Taxes.....	8,863.66	
Expenses.....	120.86	
Exchange.....	3.40	284,187.25
Decrease in Surplus.....		\$236,976.21

*Amsuco Securities Company*

Financial Statement—December 31, 1923.

*Resources:*

Real Estate and Improvements, Astoria, L. I., appraised at \$215,000....	\$200,000.00	
Bills and Accounts Receivable and Mortgage Loans.....	87,800.00	
Due from Employees on account of American Surety Company Stock purchased by them and secured by the stock.....	13,324.07	
Cash in Bank and Office.....	12,777.51	
Amsuco Telegraphic Code Books.....	715.50	
Nine shares Title Guaranty & Surety Company Stock.....	450.00	
		\$315,067.08

*Liabilities:*

Capital Stock.....	\$200,000.00	
Surplus and Undivided Profits.....	115,067.08	
		\$315,067.08



The revenue accounts of The Canadian Surety Company for the period under review indicate:

*Income:*

From Premiums . . . . .	\$337,894.04	A decrease from previous year of \$10,285.17.
From Interest . . . . .	30,204.78	An increase over previous year of \$4,649.57.
From Bad Debts previously written down . . . . .	110.24	
From Profit on Debentures Sold . . . . .	49.78	
	<u>\$368,258.84</u>	

*Outgo:*

For Expenses . . . . .	209,707.72	An increase over previous year of \$14,467.49.
For Losses less Salvages . . . . .	114,721.53	A decrease from previous year of \$9,837.62.
Loss re A. Smith . . . . .	893.16	
	<u>\$325,322.41</u>	

Making the excess of Income over Outgo . . . . . \$42,936.43

Of this sum there was

Paid in Dividends . . . . . \$23,000.00

And there was added to

Premium Reserve (80%) . . . . . 13,336.22

And to Special Reserve . . . . . 3,500.00      39,836.22

And the remainder; namely,      \$3,100.21

was transferred to Surplus and  
Undivided Profits Account.

## *The Canadian Surety Company*

Financial Statement, December 31, 1923.

### *Resources:*

Bonds and Debentures at Cost.....	\$600,183.51
Cash on Hand and in Banks.....	12,236.30
Premiums in course of collection.....	67,654.58
Agency advances.....	10,450.00
Interest in course of collection.....	7,375.23
Reinsurance receivable.....	8,626.81
	<hr/>
	\$706,526.43

### *Liabilities:*

Capital Stock.....	\$300,000.00
Surplus and Undivided Profits.....	131,875.57
Reserve for Unearned Premiums.....	162,281.04
Reserve for Contingent Claims.....	61,311.76
Reserve for Contingent Expenses.....	13,746.61
Special Reserve.....	15,000.00
Reinsurance Payable.....	22,311.45
	<hr/>
	\$706,526.43

## *Bonds and Debentures Owned by Canadian Surety Company*

\$4,014.75	City of Guelph, 5½%, due 1932.....	\$4,117.12
9,733.33	City of Victoria, 4%, due 1936.....	8,867.06
10,000.00	Town of Owen Sound, 4½%, due 1932.....	9,509.00
9,733.33	City of Toronto, 4%, due 1948.....	8,874.85
2,000.00	City of Ft. William, 4½%, due 1952..	1,828.40
10,000.00	City of Belleville, 4½%, due 1941....	9,424.00
5,700.00	City of Stratford, 4½%, due 1932....	5,438.94
10,346.29	St. Hyacinthe, Que. Sch., 4½%, due 1953-60.....	9,179.13

*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

\$ 7,000.00	Dist. of No. Vancouver, 5%, due 1960	\$6,379.80
10,000.00	City of Brandon, Man., 5%, due 1933	9,852.00
5,000.00	Town of Swift Current, 6%, due 1933	5,122.50
7,000.00	Twp. of Richmond, B. C., 4½%, due 1959	5,916.40
15,000.00	City of Sydney, N. S., 4½%, due 1942	13,374.00
8,000.00	Town of Estevan, Sask., 5%, due 1942-3	6,885.76
10,000.00	City of Medicine Hat, Alta., 5½%, due 1933	9,525.00
1,000.00	Rural Mun. St. Vital, Man., 6%, due 1933	1,012.00
3,000.00	Neepawa, Man., 6%, due 1944	3,091.50
17,000.00	Town of Sorel, Que., 5%, due 1952	16,297.90
8,000.00	Town of North Bay, 5%, due 1938-41	7,677.60
4,000.00	Town of North Bay, 5%, due 1942-43	3,838.80
7,000.00	Portage Industrial Exhibition Guaranteed City of Portage La Prairie, 5½%, due 1934	6,642.30
1,000.00	City of Edmonton, Alta., 5%, due 1933	967.70
10,000.00	Town of Transcona, Man., 6%, due 1944	9,950.00
10,000.00	Province of New Brunswick, 3%, due 1939	7,900.00
5,000.00	Town of Lindsay, Ont., 5½%, due 1934	5,172.50
1,952.83	Town of Watrous, Sask., 5½%, due 1922-56	1,742.62
2,000.00	Twp. of Esquimalt, B. C., 5½%, due 1963	1,760.00
2,463.10	Town of Orillia, 5%, due 1925	2,383.54
2,464.54	Town of Smith Falls, 5½%, due 1933-5	2,487.31
2,000.00	Town of Welland, 5½%, due 1934	2,025.00
768.47	Town of Sandwich, 6%, due 1924	795.44
174.58	Town of Sandwich, 6%, due 1925	181.23
2,423.48	Town of Waterloo, 5½%, due 1928	2,548.29
1,946.66	City of Hamilton, Ont., 4½%, due 1940	1,620.21
1,877.23	Town of Renfrew, 5%, due 1937-41	1,785.45
9,964.20	Windsor, Ont. By-Law, 5½%, due 1946-49	9,582.52
5,000.00	County of Norfolk, 5%, due 1932	4,688.90

*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

\$10,000.00	Gov't. Newfoundland, 6½%, due 1928	\$10,000.00
25,000.00	Dominion War Loan, 5½%, due 1933	25,000.00
65,000.00	Dominion War Loan, 5½%, due 1934	63,800.00
4,000.00	Toronto Harbor Comm., 4½%, due 1953.....	3,376.00
5,000.00	Province of Quebec, 4½%, due 1946..	4,295.50
4,000.00	City of St. Catherines, 4%, due 1935..	3,267.68
5,000.00	City of Galt, 5%, due 1937.....	4,538.00
5,000.00	Province of New Brunswick, 6%, due 1930.....	4,954.00
25,000.00	Hydro. Electric Power Comm. of Ontario, 4%, due 1957.....	17,055.00
5,000.00	Greater Wpg. Water Dist., 6%, due 1940.....	4,643.50
5,000.00	City of Toronto, 6%, due 1935.....	4,809.00
10,000.00	Province of Ontario, 6%, due 1935..	9,300.00
1,703.33	City of Wpg. Reg. Stock, 4½%, due 1963.....	1,371.77
10,000.00	City of Toronto, 5½%, due 1927....	9,426.00
6,000.00	City of Halifax, 6%, due 1931.....	5,781.60
4,000.00	Twp. of York, 6%, due 1931.....	3,828.40
5,000.00	Province of Saskatchewan, 6½%, due 1936.....	4,950.00
10,000.00	Hydro Elec. Power Comm. of Ontario, 6%, due 1941.....	9,661.00
50,000.00	City of Toronto, 6%, due 1945.....	47,860.00
5,000.00	City of Regina, 5½%, due 1942.....	4,911.00
7,000.00	County of Lincoln, 5½%, due 1942..	7,084.00
15,000.00	Dom. of Can. War Loan, 5½%, due 1932.....	15,002.40
2,000.00	City of Three Rivers, 5½%, due 1947	1,990.00
4,399.47	Toronto Power Co., 4½%, due 1941..	3,823.57
2,000.00	Town of Oshawa, 5½%, due 1946 ...	2,000.00
4,000.00	Town of Carlton Place, 5½%, due 1952.....	3,971.20
2,717.24	Town of Oshawa, 6%, due 1929-31...	2,763.32
70,000.00	Huron & Erie Mortgage Corp., 5½%, due 1924.....	70,000.00
15,000.00	City of Victoria, 5½%, due 1941.....	14,914.50
15,000.00	Can. National Rlys., 5%, due 1935...	14,850.00
13,000.00	City of Toronto, 5%, due 1953.....	12,511.20

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\$600,183.51



The revenue accounts of the Compania Mexicana de Garantias, S. A. for the period under review indicate:

*Income:*

From Premiums . . . . .	P275,118.49	An increase over the previous year of P9,884.30.
From Commissions . . . . .	27,050.83	An increase over the previous year of P10,621.48.
From Interest and Dividends . . . . .	20,186.89	An increase over the previous year of P8,623.61.
	<u>P322,356.21</u>	

*Outgo:*

For Expenses . . . . .	P 92,250.70	An increase over the previous year of P5,796.77.
For Claims . . . . .	95,121.75	A decrease from the previous year of P22,196.33.
For Exchange . . . . .	1,015.09	A decrease from the previous year of P1,241.63.
	<u>P188,387.54</u>	

Making the excess of Income over Outgo . . . . . P133,968.67

Of this sum there was paid in

Dividends . . . . . 50,000.00

And there was added to Premi-

um Reserve . . . . . P 24,291.51 74,291.51

And the remainder; namely . . . . . P 59,677.16  
was transferred to Surplus and Undivided Profits  
Account.



*Mexican Surety Company*

Financial Statement—December 31, 1923.

*Resources:*

Cash on Hand and in Banks:

Current Funds in Gold.....	P67,573.79	
Paper Currency Accounts—actual value.....	37,714.99	P105,288.78
Stocks and Bonds.....		470,343.34
Loans on Bond and Mortgage.....		145,536.15
Due from other Companies.....		171,338.92
Premiums in course of collection.....		94,444.28
Interest in course of collection.....		5,915.93
Reinsurance—Canadian Surety Company.....		7,980.51
		<hr/> P1,000,847.91

*Liabilities:*

Capital Stock.....	P500,000.00
Surplus and Undivided Profits.....	293,024.30
Reserve for Unearned Premiums.....	169,629.30
Reserve for Contingent Claims.....	31,460.56
Federal Pool.....	1,000.00
Voucher Account.....	5,733.75
	<hr/> P1,000,847.91

*Securities Owned by Mexican Surety Company*

Certificates of Loan made to Federal Government by  
Banco Nacional de Mexico and others

Participation Certificates aggregating P570,000.00  
changed to bonds at the value of .85 with 2% in-  
terest, representing a total of P700,000.00 6% Fed-  
eral Gold Bonds valued at .35 . . . . . P245,000.00

P531,000.00: Bonds Federal Government 6%, 1913,  
with accrued interest at 10. . . . . 53,100.00

P1,100.00: Bonds Federal Government 5% Interior  
Debt, with accrued interest at 35. . . . . 385.00

P300,000.00: Bonds Mexican Federal Government—  
3% at 24. . . . . 72,000.00

10 Bonds: Hudson & Manhattan R. R. at \$645.00  
U. S. Currency . . . . . 12,900.00

100 shares, Chicago, Burlington & Quincy R. R. at  
\$98.00 U. S. Currency . . . . . 19,600.00

170 Shares Pittsburgh Crucible Steel at \$100.00  
U. S. Currency . . . . . 34,000.00

800 Shares, Banco de Tamaulipas at 10. . . . . 8,000.00

One Share Mexico City Country Club. . . . . 5,000.00

10M Bonds Galveston, Harrisburg & San Antonio Ry.  
Total of \$10,179.17 U. S. Currency. . . . . 20,358.34

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P470,343.34

For ready reference I insert here a

*Comparative Statement*  
*American Surety Company of New York.*

	Resources and Liabilities		Increase (I) or Decrease (D)
RESOURCES:	1923	1922	
Real Estate . . . .	\$8,889,970.99	\$8,871,280.82	\$18,690.17 (I)
Securities at Market Value: . . . .			
Stocks . . . . .	955,975.00	758,550.00	197,425.00 (I)
U. S. Bonds . . . .	4,044,806.25	3,207,205.82	837,600.43 (I)
Other Bonds . . . .	741,739.50	844,813.75	103,074.25 (D)
Cash in Banks and Offices . . . .	551,876.00	536,244.15	15,631.85 (I)
Premiums in Course of Collection . . . . .	1,616,925.63	1,670,280.48	53,354.85 (D)
Accrued Interest and Rents . . . .	53,121.23	45,724.74	7,396.49 (I)
Reinsurance and Other Accounts Receivable . . . .	47,301.37	69,031.37	21,730.00 (D)
Funds held by Surety Pool-Excise—Motor Vehicle . . . . .	91,090.43	17,696.49	73,393.94 (I)
	<u>\$16,992,806.40</u>	<u>\$16,020,827.62</u>	<u>\$971,978.78 (I)</u>
LIABILITIES:			
Capital Stock . . .	\$5,000,000.00	\$5,000,000.00	
Surplus and Undivided Profits . . . .	2,247,458.90	2,217,079.16	\$30,379.74 (I)
Reserve for Unearned Premiums . . . . .	5,416,761.83	5,048,526.91	368,234.92 (I)
Reserve for Contingent Claims . . . .	3,042,709.99	2,620,319.67	422,390.32 (I)
Reserve for Expenses & taxes . . . .	615,166.80	600,000.00	15,166.80 (I)
Reserve against Outstanding Premiums . . . .	503,139.26	484,941.02	18,198.24 (I)
Reinsurance and other Accounts Payable . . . . .	167,569.62	49,960.86	117,608.76 (I)
	<u>\$16,992,806.40</u>	<u>\$16,020,827.62</u>	<u>\$971,978.78 (I)</u>

### *General Information*

On the last day of 1923 there remained in force bonds carrying a liability of \$1,992,395,892.

There were presented to us during 1923:

3582 Fidelity Claims
488 Official Claims
2516 Court, Contract and Depository Claims
1042 Burglary Insurance Claims
71 Forgery Claims

Making a total of 7699

An increase of 2402 as compared with 1922.

There was recovered by us \$1,005,520.68 in cash, against claim payments of \$3,563,750.23.

Percentage of Surety Claims paid to Net Premiums—

Year 1923.....32.51

Percentage of Burglary Claims paid to Net Premiums—

Year 1923.....24.59

Percentage of Surety Claims paid to Net Premiums—

Entire period.....24.14

Percentage of Burglary Claims paid to Net Premiums—

Entire period.....33.21

Notwithstanding several large claim payments during the year 1923, the ratio of claims paid to premiums was 31.7%, as against 32.9% for the previous year.

We are represented in this country by 42 Branch Office Managers, 2 Service Station Managers, and 15,115 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$92,081,815.13
Its Net Paid Losses were.....	22,518,994.28
And its Expenses.....	52,967,146.42

Leaving an excess from underwriting, subject to

Reserves, of.....	\$16,595,674.43
or.....	18.03%

Our Stockholders received in Cash Dividends....\$12,487,500.00

A voluntary reserve of \$503,139.26 is shown on our statement



against premiums in course of collection of \$1,616,925.63, to take care of such items on the list as may hereafter prove uncollectible for one cause or another. These accounts are in good condition. We keep three Auditors on the road constantly, for the purpose of aiding Branch Managers in the collection of premiums and to round up evidence of the cancelation of risks,—a thing often neglected by the Manager, who should be and is primarily a producer.

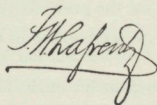
The Claim Reserve is ample to take care of all cases that have been reported, or in which notice has been served, and there is added \$150,000 to cover eventualities, in accordance with a ruling of the Insurance Department, making a total Special Claim Reserve of \$300,000.

The Expense Reserve is more than sufficient to meet all items in transit between Branch Offices and Home Office; all taxes that may be levied during the current year,—Federal, State and local; all commissions and brokerages on premiums in course of collection; and all expenses in connection with pending claims, other than salaries of permanent employees.

We own salvage assets, not reflected in our financial statement, which should produce not less than \$1,000,000, as conservatively estimated by Manager of our Claim Department.

My thanks are due to the officers and employees for their loyalty to the cause—making possible the maintenance of the efficiency of the organization, and I trust that the management will continue to enjoy your confidence and support.

All of which is respectfully submitted.



*President.*











95.04

SCUDDER FINANCIAL LIBRARY  
SCHOOL OF BUSINESS  
COLUMBIA UNIVERSITY

5 1928

# American Surety Company of New York

*Report of President  
for Year 1924*







# American Surety Company of New York

*Report of President  
for Year 1924*





January 20, 1925.

*The Members of the Board of Trustees.*

*Gentlemen:*

Summarizing the results of our operations during 1924 we find:

The Income over Outgo to be . . . . . \$ 1,391,133.59  
Arising as follows:

From Investments . . . . .	\$921,839.02	
From Underwriting . . . . .	469,294.57	
In 1923 the Income over Outgo was . . . . .		\$1,289,893.56
And in 1922 . . . . .		1,384,178.62

There passed through our records during the year:

Gross Premiums amounting to . . . . .	\$11,462,942.61	
Of this we paid to Reinsuring Companies . . . . .	\$1,352,562.58	
We made refunds aggregating . . . . .	506,628.14	
And we were obliged to cancel . . . . .	1,430,777.79	\$ 3,289,968.51

So that the Gross of \$11,462,942.61  
Came to a Net of . . . . . \$ 8,172,974.10

The Income and Outgo figures hereinafter set out indicate—

- 1.46% increase in Net Premiums
- 8.40% increase in Net Income from Investments; in other words, 2.12% in Total Income
- .94% increase in Expenses
- 8.91% increase in Taxes
- 1.46% increase in Losses reported less Salvages; in other words, 1.40% in Total Outgo.

The following summary gives the Income and Outgo for the period and shows the manner in which the excess was dealt with:

*Income:*

From Premiums . .	\$8,172,974.10	An increase over the previous year of \$117,729.48.
From Dividends, Interest and Rents, less operating cost	921,839.02	An increase over the previous year of \$71,310.94.
	<u>\$9,094,813.12</u>	

*Outgo:*

For Expenses . . . . .	\$4,566,934.75	An increase over the previous year of \$42,938.87.
For Taxes . . . . .	264,729.29	An increase over the previous year of \$21,664.14.
For Losses less Salvages \$1,149,688.39	2,872,015.49	An increase over the previous year of \$41,395.62.
	<u>\$7,703,679.53</u>	

Making the excess of Income over Outgo . . . . .	\$1,391,133.59
Add increase in value of securities unsold and profit on securities sold . . . . .	181,075.13

Making a Total of . . . . .	\$1,572,208.72
Of this sum there was transferred to	

Reserve for Unearned Premiums . . . . .	\$254,820.06	
Reserve for Expenses and Taxes . . . . .	52,603.08	
Reserve for Uncollectible Premiums . . . . .	32,528.90	
Depreciation of Building . . . . .	100,000.00	
Special Claim Reserve . . . . .	200,000.00	\$639,952.04

Leaving for final disposition . . . . .	\$932,256.68
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Out of this sum we paid Dividends amounting to . .	\$600,000.00
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And the remainder, namely . . . . .	\$332,256.68
was transferred to Surplus Account.	



*American Surety Company of New York*

Financial Statement December 31, 1924

*Resources:*

Real Estate.....	\$8,955,224.99	
Securities at Market Value:		
Stocks.....\$	870,750.00	
U. S. Gov't Bonds.	4,152,056.25	
All Other Bonds ..	1,235,831.25	6,258,637.50
Cash in Banks and Offices .....	667,441.96	
Premiums in Course of Collection.	1,692,628.74	
Accrued Interest and Rents.....	71,376.17	
Reinsurance and other Accounts Receivable.....	134,787.90	
		<u>\$17,780,097.26</u>

*Liabilities:*

Capital Stock.....	\$5,000,000.00	
Surplus and Undivided Profits....	2,579,715.58	
Reserve for Unearned Premiums..	5,671,581.89	
Reserve for Outstanding Premiums	535,668.16	
Reserve for Contingent Claims...	3,271,723.58	
Reserve for Expenses and Taxes .	667,769.88	
Reinsurance and other Accounts Payable.....	53,638.17	
		<u>\$17,780,097.26</u>

## Securities owned:

*Stocks*

5000 S. Amusco Securities Company.....	\$200,000.00
2595 S. The Canadian Surety Company .....	259,500.00
400 S. Chase National Bank & Chase Securities Corp. of N. Y.....	164,000.00
4945 S. Compania Mexicana de Garantias, S. A. (Par value \$50.00) .....	247,250.00
TOTAL.....	\$870,750.00

*U. S. Liberty Loans and Treasury Notes*

1,590,000.00 U. S. of America 2nd Liberty Loan 4% Converted into 3rd Loan, (2nd 4¼'s) due November 15, 1927-42.....	\$1,602,421.88
760 M. U. S. of America 2nd Liberty Loan 4%, Converted into 3rd Loan, (2nd 4¼'s) Registered, due November 15, 1927-42.....	765,462.50
300 M. U. S. of America 3rd Liberty Loan 4¼% due Sept. 15, 1928 (3rd 4¼'s) .....	303,281.25
700 M. U. S. of America 4th Liberty Loan 4¼% due Oct. 15, 1933-38 (4th 4¼'s) .....	712,468.75
250 M. U. S. of America 4¼% Treasury Bonds due Oct. 15, 1947-52.....	262,109.37
100 M. U. S. of America Treasury Notes Series "A" Coupon 4¾% due March 15, 1925.....	100,312.50
300 M. U. S. of America Treasury Notes Series "A" Coupon 4¾% due March 15, 1926.....	304,125.00
100 M. U. S. of America Treasury Notes Series "B" Coupon 4¾% due March 15, 1927.....	101,875.00
	\$4,152,056.25

*All Other Bonds*

30 M. American Sugar Refining Co. 15 yr. 6% Gold Bonds due Jan 1, 1937.....	\$29,850.00
50 M. Armour & Co. of Delaware 1st Mtge. 20 yr. 5½% Gold Bonds Series "A" due Jan. 1, 1943.....	45,750.00
50 M. Atlantic Coast Line R. R. Co. Convert- ible Reg. 4% Debenture due Nov. 1, 1939.....	43,000.00
125 M. Brooklyn Manhattan Transit Co. 6% Coupon Bonds, due July 1, 1968.....	103,125.00

*Bonds—Continued*

100 M. Canadian Northern Ry. Co. (Winnipeg Terminals) 1st Mtge. 4% due July 1, 1939.....	\$86,000.00
50 M. Chicago & Northwestern Ry. Co. 5% General Mortgage due Nov. 1, 1987..	51,812.50
50 M. Chicago, Rock Island & Pacific Ry. Co. 1st and Refunding Mortgage 4% Gold Bonds due Apr. 1, 1934.....	41,750.00
100 M. Chicago, St. Paul, Minneapolis & Omaha Ry. Co. 5% due Mar. 1, 1930.....	96,000.00
20 M. City of Winnipeg Dominion of Canada Interim Deb. 5% due Jan. 2, 1943....	19,700.00
25 M. Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Ref. & Imp. 6% Series "A" J. & J. due July 1, 1929.....	25,812.50
25 M. Cleveland Union Terminals Co. First Mortgage Sinking Fund 5½% Gold Series "A" due April 1, 1972.....	26,437.50
100 M. Delaware & Hudson Co. 20 yr. Convertible Gold Bonds 5% due Oct. 1, 1935..	101,250.00
50 M. Great Northern Ry. Gen'l. Mortgage 7% due July 1, 1936.....	54,625.00
25 M. Kansas City Southern Ry. Ref. & Imp. 5% J. & J. due April 1, 1950.....	22,250.00
100 M. New York Central R. R. Co. 6% Conv. Deb. due May 1, 1935.....	113,000.00
100 M. N. Y. Gas Elec. Light, Heat & Power Co. 1st Mtge. 5% due December 1, 1948.....	101,125.00
50 M. N. Y. State Canal Improvement 3% Reg. due July 1, 1958.....	46,500.00
35 M. N. Y. Telephone Co. 30 year Sinking Fund 6% Debenture due Feb. 1, 1949..	37,756.25
50 M. Pennsylvania R. R. Co. 40 yr. Secured Gold Bonds 5% due Nov. 1, 1964....	49,000.00
10 M. Porto Rico 4% Registered Gold Loan of 1915 due Jan. 1, 1956.....	9,400.00
50 M. Southern Ry. Co. Development & General Mortgage 4% Gold Bonds Series "A" due Apr. 1, 1956.....	36,812.50
50 M. Wabash R. R. Co. 2nd Mortgage 5% due Feb. 1, 1939.....	47,250.00
50 M. Youngstown Sheet & Tube Co. 6% Deb. Gold Bonds, due July 1, 1943.....	47,625.00
Total.....	\$1,235,831.25

The operation of the Amsuco Securities Company resulted as under, for the period under review:

*Income:*

Profit on the Lira loan to Riccardo Gualino.....	\$16,248.36	
Profit on sale of securities.....	78.75	
Salvage on account of Queensboro Storage & Warehouse Co.....	729.76	
Salvage on account of Schermerhorn Restaurant Co.....	5.19	
Interest.....	3,325.41	
Dividends.....	200.00	\$20,587.47

*Outgo:*

Loss on sale of Ravenswood Real Estate.....	\$35,000.00	
Commission on sale of Ravenswood Real Estate.....	8,250.00	
Taxes—Federal Income—1923.....	\$1,346.03	
New York State Franchise—1923.....	393.75	
Real Estate.....	2,597.29	
Revenue Stamps.....	340.12	
Capital Stock to June 30, 1925.....	275.00	4,952.19
Expenses — Watchman at Ravenswood.....	1,912.76	
Sundry other expenses in connection with Ravenswood property	189.16	
	\$2,101.92	
Less Refund of Fire Insurance Premiums ..	185.87	1,916.05
Exchange.....		13.61
		\$50,131.85
NET LOSS.....		\$29,544.38

*Amsuco Securities Company*

Financial Statement, December 31, 1924

*Resources:*

Bills and Accounts Receivable & Mortgage Loans		
First mortgage—Lawrence Canning Co. . . . .	\$ 21,666.67	
Loans secured by Canadian Surety Co. stock . .	15,000.00	
Purchase money mortgage Tompkins-Kiel Marble Co. . . . .	140,000.00	\$176,666.67

Due from employees on account of American Surety Company stock purchased by them and secured by the stock . . . . .	4,476.61	
Deposit in Bank . . . . .	57,425.25	
Amsuco Telegraphic Code books on hand . . . . .	651.75	
<i>Stocks:</i>		
9 S. Title Guaranty & Surety Co. . . . .	450.00	
500 S. Lehigh Valley Coal Sales Co. . . . .	40,875.00	

*Bonds:*

Ilwaco Washington District Improvement Bonds & Warrants including accrued interest . . . . .	6,977.42	\$287,522.70
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*Liabilities:*

Capital Stock . . . . .	200,000.00	
Surplus and Undivided Profits . . . . .	87,522.70	\$287,522.70

NOTE—American Surety Company of New York owns all of the capital stock of this Company, and carries the same at par.



The revenue accounts of The Canadian Surety Company for the period under review indicate:

*Income:*

From Premiums . . . . .	\$322,757.36	A decrease from previous year of \$15,136.68.
From Interest . . . . .	32,262.88	An increase over previous year of \$2,058.10.
From Profit on Debentures Sold and increase in value of Securities unsold . . . . .	15,412.63	
	<u>\$370,432.87</u>	

*Outgo:*

For Expenses . . . . .	\$219,654.37	An increase over previous year of \$9,946.65.
For Losses less Salvage . . . . .	106,953.02	A decrease from previous year of \$7,768.51.
	<u>\$326,607.39</u>	

Making the excess of Income over Outgo . . . . .	\$43,825.48
Add decrease in Premium Reserve . . . . .	9,447.83
	<u>\$53,273.31</u>

Of this there was

Paid in Dividends . . . . .	\$24,000.00	
Agents' Accounts written off . . . . .	1,196.61	
Reserve for Uncollectible Premiums . . . . .	13,151.94	\$38,348.55

And the remainder, namely, \$14,924.76  
was transferred to Surplus and Undivided Profits Account.

*The Canadian Surety Company*

Financial Statement, December 31, 1924.

*Resources:*

Bonds and Debentures at Market value.....	\$634,085.04
Cash on Hand and in Banks.....	39,800.96
Premiums in course of collection.....	38,616.65
Agency Advances.....	7,688.52
Interest in course of collection.....	6,815.07
Reinsurance receivable.....	6,249.23
	<hr/>
	\$733,255.47

*Liabilities:*

Capital Stock.....	\$300,000.00
Surplus and Undivided Profits.....	160,913.58
Reserve for Unearned Premiums.....	154,722.78
Reserve for Contingent Claims.....	49,512.93
Reserve for Expenses and Taxes.....	24,919.78
Reserve for Outstanding Premiums.....	13,151.94
Reinsurance Payable.....	30,034.46
	<hr/>
	\$733,255.47

NOTE—American Surety Company of New York owns 2595 of the 3000 shares of capital stock of this Company, and carries the same at par.

### *Bonds and Debentures Owned by Canadian Surety Company*

\$ 4,014.75	City of Guelph, 5½%, due 1932.....	\$4,117.12
9,733.33	City of Victoria, 4%, due 1936.....	8,867.06
10,000.00	Town of Owen Sound, 4½%, due 1932	9,509.00
9,733.33	City of Toronto, 4%, due 1948.....	8,874.85
2,000.00	City of Fort William, 4½%, due 1952.	1,828.40
10,000.00	City of Belleville, 4½%, due 1941....	9,424.00
5,700.00	City of Stratford, 4½%, due 1932....	5,438.94
10,346.29	St. Hyacinthe, Que. Sch. 4½% due 1953-60.....	9,179.13
7,000.00	Dist. N. Vancouver, 5%, due 1960....	6,379.80
10,000.00	City of Brandon, Man. 5%, due 1933.	9,852.00
5,000.00	Town of Swift Current, 6%, due 1933.	5,122.50
7,000.00	Twp. Richmond, B. C. 4½%, due 1959	5,916.40
15,000.00	City of Sydney, N. S. 4½%, due 1942.	13,374.00
8,000.00	Town of Estevan, Sask. 5%, due 1942-3.....	6,885.76
10,000.00	City of Medicine Hat, Alta, 5½%, due 1933.....	9,525.00
1,000.00	Rural Mun. St. Vital, Man. 6%, due 1933.....	1,012.10
3,000.00	Neepawa, Man. 6%, due 1944.....	3,091.50
17,000.00	Town of Sorel, Que. 5%, due 1952....	16,297.90
8,000.00	Town of North Bay, 5%, due 1938-41.	7,677.60
4,000.00	Town of North Bay, 5%, due 1942-43.	3,838.80
7,000.00	Portage Industrial Exhibition Guarante- ed City of Portage la Prairie, 5½%, due 1934.....	6,642.30
1,000.00	City of Edmonton, Alta. 5%, due 1933	967.70
10,000.00	Prov. New Brunswick, 3%, due 1939..	7,900.00
5,000.00	Town of Lindsay, Ont. 5½%, due 1934	5,172.50
1,892.92	Town of Watrous, Sask. 5½%, due 1922-56.....	1,731.65
2,000.00	Twp. Esquimalt, B. C. 5½%, due 1963	1,760.00
2,463.10	Town of Orillia, 5%, due 1925.....	2,383.54
2,464.54	Town of Smith Falls, 5½%, due 1933-5	2,487.31
2,000.00	Town of Welland, 5½%, due 1934....	2,025.00
174.58	Town of Sandwich, 6%, due 1925....	181.23
2,423.48	Town of Waterloo, 5½%, due 1928....	2,548.29
1,946.66	City of Hamilton, Ont. 4½%, due 1940.....	1,620.21
1,877.23	Town of Renfrew, 5%, due 1937-41...	1,785.45
9,964.20	Windsor, Ont. By-Law, 5½%, due 1946-49.....	9,582.52

*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

\$ 5,000.00	County of Norfolk, 5%, due 1932....	\$ 4,688.90
10,000.00	Govt. Newfoundland, 6½%, due 1928	10,000.00
45,000.00	Dominion War Loan, 5½%, due 1934.	44,400.00
4,000.00	Toronto Harbour Comm. 4½%, due 1953.....	3,376.00
5,000.00	Province of Quebec, 4½%, due 1946..	4,295.50
4,000.00	City of St. Catharines, 4%, due 1935..	3,267.68
5,000.00	City of Galt, 5%, due 1937.....	4,538.00
5,000.00	Prov. New Brunswick, 6%, due 1930..	4,954.00
25,000.00	Hydro Elec. Power Comm. of Ontario, 4%, due 1957 .....	17,055.00
5,000.00	Greater Winnipeg Water Dist. 6%, due 1940.....	4,643.50
5,000.00	City of Toronto, 6%, due 1935.....	4,809.00
10,000.00	Providence of Ontario, 6%, due 1935..	9,300.00
1,703.33	City of Wpg. Reg. Stock 4½%, due 1963.....	1,371.77
10,000.00	City of Toronto, 5½%, due 1927.....	9,426.00
6,000.00	City of Halifax, 6%, due 1931.....	5,781.60
4,000.00	Twp. of York, 6%, due 1931.....	3,828.40
5,000.00	Prov. Saskatchewan, 6½%, due 1936..	4,950.00
10,000.00	Hydro Elec. Power Comm. of Ontario 6%, due 1941.....	9,661.00
50,000.00	City of Toronto, 6%, due 1945.....	47,860.00
5,000.00	City of Regina, 5½%, due 1942.....	4,911.00
7,000.00	County of Lincoln, 5½%, due 1942...	7,084.00
15,000.00	Dom. of Can. War Loan, 5½%, due 1932.....	15,002.40
2,000.00	City of Three Rivers, 5½%, due 1947..	1,990.00
4,399.47	Toronto Power Co., 4½%, due 1941..	3,823.57
2,000.00	Town of Oshawa, 5½%, due 1946....	2,000.00
4,000.00	Town of Carleton Place, 5½%, due 1952.....	3,971.20
2,717.24	Town of Oshawa, 6%, due 1929-31...	2,763.32
70,000.00	Huron & Erie Mortgage Corp., 5½%, due 1925.....	70,000.00
15,000.00	City of Victoria, 5½%, due 1941.....	14,914.50
15,000.00	Can. Nat. Rlys., 5%, due 1935.....	14,850.00
13,000.00	City of Toronto, 5%, due 1953.....	12,511.20
25,000.00	Toronto Gen. Trusts Corp., 5½%, due 1929.....	25,000.00

*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

\$10,000.00	National Trust Co., Ltd., 5½%, due 1929.....	\$10,000.00
15,000.00	Can. Permanent Trust Co., 5½%, due 1929.....	15,000.00
10,000.00	Can. Permanent Mortgage Corp., 5½%, due 1929.....	10,000.00
	Cost Value.....	\$605,027.10
	Market Value.....	\$634,085.04

The revenue accounts of the Compania Mexicana de Garantias, S. A. (Mexican Surety Company) for the period under review indicate:

*Income:*

From Premiums.....	P253,691.65	A decrease from previous year of P21,426.84.
From Commissions.....	16,788.38	A decrease from the previous year of P10,262.45.
From Interest and Dividends.....	24,484.17	An increase over the previous year of P4,297.28.
	<u>P294,964.20</u>	

*Outgo:*

For Expenses.....	P 91,874.81	A decrease from the previous year of P375.89.
For Claims.....	142,672.53	An increase over the previous year of P47,550.78.
For Exchange.....	2,841.25	An increase over the previous year of P1,826.16.
	<u>P237,388.59</u>	

Making the excess of Income Over Outgo ..... P57,575.61

Of this sum there has been applied to

Premium Reserve..... P32,575.61

And to Special Reserve against Mexican

security values ..... 25,000.00      P57,575.61



*Mexican Surety Company*

Financial Statement—December 31, 1924.

*Resources:*

## Cash on Hand and in Banks:

Current Funds in Gold . . . . .	P138,948.50	
Paper Currency Accounts—actual value . . . . .	37,714.99	P176,663.49

Stocks and Bonds . . . . .	640,226.12
Loans on Bond and Mortgage . . . . .	140,646.15
Due from other Companies . . . . .	987.43
Premiums in course of collection . . . . .	8,200.12
Interest in course of collection . . . . .	5,589.34
Reinsurance—Canadian Surety Company . . . . .	3,406.31
	<hr/>
	P975,718.96

*Liabilities*

Capital Stock . . . . .	P500,000.00
Surplus and Undivided Profits . . . . .	250,000.00
Reserve for Unearned Premiums . . . . .	203,198.37
Reserve for Contingent Claims . . . . .	19,470.59
Voucher Account . . . . .	3,050.00
	<hr/>
	P975,718.96

NOTE—American Surety Company of New York owns 4945 of the 5000 shares of capital stock of the Company and carries the same at par.

### *Securities Owned by Mexican Surety Company*

Participation Certificates of Loan made to Federal Government by Banco Nacional de Mexico aggregating P570,000.00, valued at . . . . .	P220,000.00
P531,000.00 Bonds Federal Government 6%, 1913, with accrued interest . . . . .	53,100.00
P1,100.00 Bonds Federal Government 5% Interior Debt, with accrued interest . . . . .	385.00
P300,000.00 Federal Government 3% Bonds . . . . .	42,000.00
P176,000.00 Federal Government Exterior 5% Bonds	56,320.00
10 M. Chicago, Burlington & Quincy R. R. Bonds . . .	19,600.00
17 M. Pittsburgh Crucible Steel Bonds . . . . .	34,000.00
10 M. West Penn. Power Co. 5% Bonds . . . . .	19,061.12
10 M. New York Central R. R. Co. 4% Bonds due 1998 . . . . .	17,100.00
10 M. Oregon & Washington R.R. and Nav. Co. Bonds	16,725.00
10 M. Brooklyn & Manhattan Transit Corp. 6% Bonds . . . . .	15,025.00
8 M. Illinois Central R. R. (Chicago, St. L. & N. O. Jct.) 5% Bonds . . . . .	15,360.00
10 M. New Mexico Ry. & Coal Co. Bonds . . . . .	19,600.00
10 M. Kansas & Texas R. R. Co. 5% Bonds . . . . .	17,200.00
500 Shares Lehigh Valley Coal Sales Co. Stock . . . . .	81,750.00
800 Shares, Banco de Tamaulipas . . . . .	8,000.00
One Share Mexico City Country Club . . . . .	5,000.00
	<hr/> P640,226.12

*Comparative Statement*  
*American Surety Company of New York,*  
 Resources and Liabilities

RESOURCES:	1924	1923	Increase (I) or Decrease (D)
Real Estate.....	\$8,955,224.99	\$8,889,970.99	\$65,254.00 (I)
Securities at Mar- ket Value:			
Stocks.....	870,750.00	955,975.00	85,225.00 (D)
U. S. Bonds.....	4,152,056.25	4,044,806.25	107,250.00 (I)
Other Bonds ....	1,235,831.25	741,739.50	494,091.75 (I)
Cash in Banks and Offices.....	667,441.96	551,876.00	115,565.96 (I)
Premiums in Course of Col- lection .....	1,692,628.74	1,616,925.63	75,703.11 (I)
Accrued Interest and Rents ....	71,376.17	53,121.23	18,254.94 (I)
Reinsurance and Other Accounts Receivable....	51,274.50	47,301.37	3,973.13 (I)
Funds held by Surety Pool— Excise—Motor Vehicle Bond- ing Co's.....	83,513.40	91,090.43	7,577.03 (D)
	\$17,780,097.26	\$16,992,806.40	\$787,290.86 (I)
LIABILITIES:			
Capital Stock ...	\$5,000,000.00	\$5,000,000.00	
Surplus and Un- divided Profits.	2,579,715.58	2,247,458.90	\$332,256.68 (I)
Reserve for Un- earned Premi- ums.....	5,671,581.89	5,416,761.83	254,820.06 (I)
Reserve for Con- tingent Claims.	3,271,723.58	3,042,709.99	229,013.59 (I)
Reserve for Ex- penses & Taxes.	667,769.88	615,166.80	52,603.08 (I)
Reserve against Outstanding Premiums ....	535,668.16	503,139.26	32,528.90 (I)
Reinsurance and other Accounts Payable.....	53,638.17	167,569.62	113,931.45 (D)
	\$17,780,097.26	\$16,992,806.40	\$787,290.86 (I)

### *General Information*

On the last day of 1924 there remained in force bonds carrying a liability of \$1,992,395,892.

There were presented to us during 1924:

3913 Fidelity Claims
483 Official Claims
843 Court, Contract and Depository Claims
1049 Burglary Insurance Claims
145 Forgery Claims

Making a total of 6433

A decrease of 1266 as compared with 1923.

This decrease is entirely due to the fact that we discontinued the writing of Motor Vehicle Bonds.

There was recovered by us \$1,149,688.39 in cash, against claim payments of \$3,992,680.29.

Percentage of Surety Claims paid to Net Premiums—	
Year 1924.....	34.52

Percentage of Burglary Claims paid to Net Premiums—	
Year 1924.....	37.52

Percentage of Surety Claims paid to Net Premiums—	
Entire period.....	24.95

Percentage of Burglary Claims paid to Net Premiums—	
Entire Period.....	34.00

We are represented in this country by 41 Branch Office Managers, 2 Service Managers, and 15,230 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$100,254,789.23
Its Net Paid Losses were.....	25,361,996.18
And its Expenses.....	57,798,810.46

Leaving an excess from underwriting, subject to	
Reserve, of.....	\$17,093,982.59
or.....	17.05%

Our Stockholders received in Cash Dividends...	\$13,087,500.00
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A voluntary reserve of \$535,668.16 is shown on our statement against premiums in course of collection of \$1,692,628.74, to take care of such items on the list as may hereafter prove uncollectible.

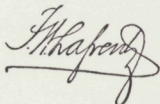
The Claim Reserve is ample to take care of all cases that have been reported, or in which notice has been served, and there is added \$200,000. to cover eventualities, in accordance with a ruling of the Insurance Department, making a total Special Claim Reserve of \$500,000.

The Expense Reserve is more than sufficient to meet all items in transit between Branch Offices and Home Office; all taxes, other than realty, that may be levied during the current year,—Federal, State and local; all commissions and brokerages on premiums in course of collection; and all expenses in connection with pending claims, other than salaries of permanent employees.

We own salvage assets, not reflected in our financial statement, which should produce not less than \$750,000. as conservatively estimated by Manager of our Claim Department.

My thanks are due to the officers and employees for their loyalty to the cause, making possible the maintenance of the efficiency of the organization, and I trust that the management will continue to enjoy your confidence and support.

All of which is respectfully submitted.

A handwritten signature in dark ink, appearing to read "J. H. Chapin". The signature is fluid and cursive, with a long horizontal flourish extending to the left.

*President.*









FINANCIAL LIBRARY  
SCHOOL OF BUSINESS  
COLUMBIA UNIVERSITY

95.04

FEB 15 1928

# American Surety Company of New York

*Report of President  
for Year 1925*







# American Surety Company of New York

*Report of President  
for Year 1925*





January 19, 1926.

*The Members of the Board of Trustees.*

*Gentlemen:*

It affords me pleasure to be able to report that our Company made very satisfactory progress last year. The volume of business was substantially larger than in the previous one, and the total of net claims appreciably less.

Again the income from investments was materially greater, due to the purchase from time to time of additional securities with the Surplus Funds that remained in our hands.

All legal and voluntary Reserves were suitably increased, and a comfortable amount remained for the Surplus, after the payment of Dividends.

Summarizing the results of our operations during 1925 we find:  
The Income over Outgo to be..... \$ 1,952,847.47

Arising as follows:  
From Investments.....\$1,022,303.04  
From Underwriting..... 930,544.43  
In 1924 the Income over Outgo was..... 1,391,133.59  
And in 1923..... 1,289,893.56

There passed through our records during the year:  
Gross Premiums amounting to..... \$12,467,781.07  
Of this we paid to Reinsuring  
Companies..... \$1,735,754.94  
We made refunds aggregating. . 504,637.47  
And we were obliged to cancel. . 1,451,853.68 \$ 3,692,246.09

So that the Gross of \$12,467,781.07  
Came to a Net of..... \$ 8,775,534.98

The Income and Outgo figures hereinafter set out indicate—

- 7.37% increase in Net Premiums
- 10.90% increase in Net Income from Investments
- 8.48% increase in Expenses
- 1.45% increase in Taxes
- 8.70% decrease in Losses reported less Salvages.

The following summary gives the Income and Outgo for the period and shows the manner in which the excess was dealt with:

*Income:*

From Premiums . . .	\$8,775,534.98	An increase over the previous year of \$602,560.88.
From Dividends, Interest and Rents, less operating cost	1,022,303.04	An increase over the previous year of \$100,464.02.
	<u>\$9,797,838.02</u>	

*Outgo:*

For Expenses . . . . .	\$4,954,304.64	An increase over the previous year of \$387,369.89.
For Taxes . . . . .	268,568.21	An increase over the previous year of \$3,838.92.
For Losses less Salvages \$1,416,891.60	2,622,117.70	A decrease from the previous year of \$249,897.79.
	<u>\$7,844,990.55</u>	

Making the excess of Income over Outgo . . . . .	\$1,952,847.47
Add increase in value of securities unsold and profit on securities sold . . . . .	113,681.04

Making a Total of . . . . . \$2,066,528.51

Of this sum there was transferred to

Reserve for Unearned Premiums . . .	\$474,259.98
Reserve for Expenses and Taxes . . .	36,212.36
Reserve for Uncollectible Premiums . .	10,392.96
Depreciation of Building . . . . .	100,000.00
Special Claim Reserve . . . . .	250,000.00
	<u>\$ 870,865.30</u>

Leaving for final disposition . . . . . \$1,195,663.21

Out of this sum we paid Dividends amounting to . . 750,000.00

And the remainder; namely . . . . . \$ 445,663.21  
was transferred to Surplus Account.

*American Surety Company of New York*

Financial Statement December 31, 1925

*Resources:*

Real Estate.....	\$8,855,724.99
Securities at Market Value:	
U. S. Government Bonds.....	\$4,051,212.54
All Other Bonds.....	2,588,588.75
Stocks.....	935,950.00
	<u>7,575,751.29</u>
Premiums in Course of Collection.....	1,812,561.61
Cash in Banks and Offices.....	764,777.22
Reinsurance and other Accounts Receivable....	171,269.57
Accrued Interest and Rents.....	98,030.32
	<u>\$19,278,115.00</u>

*Liabilities:*

Capital Stock.....	\$5,000,000.00
Surplus and Undivided Profits.....	3,025,378.79
Reserve for Unearned Premiums.....	6,145,841.87
Reserve for Contingent Claims.....	3,734,209.31
Reserve for Outstanding Premiums.....	546,061.12
Reserve for Expenses and Taxes.....	703,982.24
Reinsurance and other Accounts Payable.....	122,641.67
	<u>\$19,278,115.00</u>



## Securities owned:

*Stocks*

5000S. Amsuco Securities Company . . . . .	\$200,000.00
2595S. Canadian Surety Company . . . . .	259,500.00
400S. Chase National Bank and Chase Securities Corp. of N. Y. . . . .	229,200.00
4945S. Compania Mexicana de Garantias S. A. (Par value \$50.00) . . . . .	247,250.00
	<hr/>
	\$935,950.00

*U. S. Government Bonds*

\$1,665,000 U. S. of America 2nd Liberty Loan 4¼% due Nov. 15, 1927-42 . . . . .	\$1,674,885.94
685 M. U. S. of America 2nd Liberty Loan 4¼% Registered due Nov. 15, 1927-42 . . . .	688,639.10
300 M. U. S. of America 3rd Liberty Loan 4¼% due Sept. 15, 1928 . . . . .	302,437.50
700 M. U. S. of America 4th Liberty Loan 4¼% due Oct. 15, 1933-38 . . . . .	713,562.50
250 M. U. S. of America 4¼% Treasury Bonds due 1947-52 . . . . .	265,781.25
200 M. U. S. of America 4% Treasury Bonds due 1944-54 . . . . .	205,687.50
100 M. U. S. of America Treasury Notes Series "A" Coupon 4¾% due Mar. 15, 1926 . . . .	100,187.50
100 M. U. S. of America Treasury Notes Series "B" Coupon 4¾% due Mar. 15, 1927 . . . .	100,031.25
	<hr/>
	\$4,051,212.54

*State, County, Province and Municipal Bonds*

20 M. City of Winnipeg, Dom. of Canada Deb. 5% due Jan. 2, 1943 . . . . .	\$19,900.00
50 M. N. Y. State Canal Imp. 3% Reg. due July 1, 1958 . . . . .	45,000.00
10 M. Porto Rico Gold Loan of 1915 4% Reg. due Jan. 1, 1956 . . . . .	9,450.00
	<hr/>
	\$74,350.00

*Railroad Bonds*

50 M. Atlantic Coast Line R. R. Co. Conv. Reg. 4% Deb. due Nov. 1, 1939 . . . .	\$44,375.00
100 M. Canadian National Rwy. Co. 4½% 5 yr. Gold Bonds due Feb. 15, 1930 . . . . .	98,500.00
100 M. Canadian Northern Rwy. Co. 4½% 10 yr. Gold Bonds due Feb. 15, 1935 . . . .	96,500.00
100 M. Canadian Northern Rwy Co. (Winnipeg Terminals) 1st Mtge. 4% due July 1, 1939 . . . . .	86,000.00
50 M. Chesapeake & Ohio Rwy. Co. 4½% 20 yr. Conv. Gold Bonds due Feb. 1, 1930 . . . . .	49,062.50
10 M. Chesapeake & Ohio Rwy. Co. Equip. Trust 5% Gold Ctfs. due July 1, 1926	10,000.00
10 M. Chesapeake & Ohio Rwy. Co. Equip. Trust 5% Gold Ctfs. due July 1, 1927	10,012.50
10 M. Chesapeake & Ohio Rwy. Co. Equip. Trust 5% Gold Ctfs. due July 1, 1928	10,012.50
10 M. Chesapeake & Ohio Rwy. Co. Equip. Trust 5% Gold Ctfs. due July 1, 1929	10,025.00
50 M. Chicago, Rock Island & Pac. Rwy. Co. 1st & Ref. Mtge. 4% due April 1, 1934	44,125.00
50 M. Chicago, Rock Island & Pac. Rwy. Co. 5% 5 yr. Sec. Gold Notes due July 1, 1929 . . . . .	49,625.00
100 M. Chicago, St. Paul, Minn. & Omaha Rwy. Co. 5% due Mar. 1, 1930 . . . . .	98,500.00
50 M. Chicago Union Station 1st Mtge. Series "B" 5% due July 1, 1963 . . . . .	51,312.50
25 M. Cleveland, Cincinnati, Chicago & St. Louis Rwy. Co. Ref. & Imp. 6% Ser- ies "A" due July 1, 1929 . . . . .	25,031.25
50 M. Cleveland Union Terminals Co. 1st Mtge. S. F. 5½% Series "A" due April 1, 1972 . . . . .	52,875.00
100 M. Delaware & Hudson Co. 20 yr. Conv. Gold Bonds 5% due Oct. 1, 1935 . . .	112,500.00

*Railroad Bonds—Continued*

50 M. Erie R. R. Co. General Lien 4% Gold Bonds due Jan. 1, 1996.....	\$ 33,875.00
100 M. Erie R. R. Co. 5% Secured Gold Notes due July 1, 1926.....	100,250.00
50 M. Great Northern Rwy. Co. Gen'l Mtge. 7% July 1, 1936.....	55,125.00
25 M. Kansas City Southern Rwy. Co. Ref. & Imp. 5% due April 1, 1950.....	23,375.00
100 M. Missouri Pacific R. R. Co. 5% Secured Gold Notes due July 1, 1927.....	100,125.00
12 M. New York Central Lines 4½% Equipment Trust Ctfs. due Sept. 15, 1926..	11,970.00
12 M. New York Central Lines 4½% Equipment Trust Ctfs. due Sept. 15, 1927..	11,925.00
12 M. New York Central Lines 4½% Equipment Trust Ctfs. due Sept. 15, 1928..	11,880.00
12 M. New York Central Lines 4½% Equipment Trust Ctfs. due Sept. 15, 1929..	11,850.00
14 M. New York Central Lines 5% Equipment Trust of 1924 Notes due June 1, 1926	14,000.00
14 M. New York Central Lines 5% Equipment Trust of 1924 Notes due June 1, 1927	14,017.50
14 M. New York Central Lines 5% Equipment Trust of 1924 Notes due June 1, 1928	14,017.50
14 M. New York Central Lines 5% Equipment Trust of 1924 Notes due June 1, 1929	14,035.00
50 M. Pennsylvania R. R. Co. 40 yr. Secured Gold Bonds 5% due Nov. 1, 1964...	49,250.00
50 M. St. Louis, San Fran. Ry. Co. P. L. Mtge. 5½% Series "A" due Jan. 1, 1942....	49,750.00
50 M. Southern Pacific Co. 20 yr. Conv. 4% Gold Bonds due June 1, 1929.....	48,437.50
50 M. Southern Ry. Co. Development & Gen'l Mtge. 4% Series "A" due April 1, 1956	40,875.00
50 M. Wabash R. R. Co. 2nd Mtge. 5% due Feb. 1, 1939.....	49,375.00
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	\$1,502,588.75

*Public Utility Bonds*

50 M. American Tel. & Tel. Co. 35 yr. S. F. Deb. due Jan. 1, 1960.....	\$48,812.50
125 M. Brooklyn Manhattan Transit Co. 6% Coupon Bonds due July 1, 1968.....	115,312.50
100 M. Consolidated Gas Co. of N. Y. Deb. 5½% due Feb. 1, 1945.....	104,125.00
100 M. Edison Electric Illum. Co. of Boston 4½% Gold Notes due Jan. 15, 1928..	99,687.50
100 M. New York Edison Co. 5% 1st Lien & Ref. Mtge. due Oct. 1, 1944.....	102,500.00
100 M. New York Gas, Electric Light, Heat & Power Co. 1st Mtge. 5% due Dec. 1, 1948	104,000.00
35 M. New York Telephone Co. 30 yr. S. F. 6% Deb. due Feb. 1, 1949 .....	38,587.50
	<hr/>
	\$613,025.00

*Industrial Bonds*

100 M. American Sugar Refining Co. 6% 15 yr. Gold Bonds due Jan. 1, 1937 .....	\$103,125.00
100 M. Armour & Co. of Dela. 1st Mtge. 20 yr. 5½% Series "A" due Jan. 1, 1943...	94,375.00
100 M. Atlantic Refining Co. 4½% Gold Notes due Jan. 1, 1927.....	99,750.00
50 M. Brier Hill Steel Co. 1st Mtge. 5½% Gold Bonds due Oct. 1, 1942.....	50,625.00
50 M. Youngstown Sheet & Tube Co. 6% Deb. due July 1, 1943.....	50,750.00
	<hr/>
	\$398,625.00

GRAND TOTAL.....\$7,575,751.29

The operation of the Amsuco Securities Company resulted as under, for the period under review:

*Income:*

Interest—Tompkins-Kiel Marble Co.....	\$7,700.00		
On other investments.....	6,133.47		
Dividends on Stocks.....	4,000.00		
Appreciation of Securities.....	\$3,340.00		
Less Accounts written off.....	651.75	2,688.25	\$20,521.72

*Outgo:*

Commission.....	\$	57.50		
Exchange.....		.40		
Taxes—N. Y. Franchise.....	\$	223.13		
U. S. Capital Stock....	274.00	497.13	555.03	
Making the excess of Income over Outgo.....				\$19,966.69
which was transferred to Surplus and Undivided Profits Account.				



*Amsuco Securities Company*

Financial Statement, December 31, 1925.

*Resources:*

## Bills and Accounts Receivable &amp; Mortgage Loans

First Mortgage—Maxwell Lyons . . . . .	\$ 15,000.00	
Loans Secured by Collateral . . . . .	15,000.00	
Purchase money mortgage Tompkins-Kiel Marble Co. . . . .	140,000.00	
		<u>\$170,000.00</u>

Due from employees on account of American Surety Company stock purchased by them and secured by the stock . . . . .	1,319.25
Deposit in Bank . . . . .	4,976.59
Accrued interest . . . . .	3,893.55

*Stocks:*

9 S. Title Guaranty & Surety Co. . . . .	450.00
500 S. Lehigh Valley Coal Sales Co. . . . .	42,250.00

*Bonds:*

50 M. Central Leather Co. 6% S. F. Jan. 1, 1945. . . . .	50,000.00
25 M. St. Louis-San Fran. Ry. Co. P. L. 5½% Jan. 1, 1942 "D" . . . . .	24,750.00
10 M. Wabash R. R. Co. 5½% Mar. 1975 . . . . .	9,850.00
	<u>\$307,489.39</u>

*Liabilities:*

Capital Stock . . . . .	\$200,000.00
Surplus and Undivided Profits . . . . .	107,489.39
	<u>\$307,489.39</u>

NOTE—American Surety Company of New York owns all of the capital stock of this Company, and carries the same at par.

The revenue accounts of the Canadian Company for the period under review indicate:

*Income:*

From Premiums.....	\$341,205.42	An increase over previous year of \$18,448.06.
From Interest.....	33,299.87	An increase over previous year of \$1,036.99.
	<u>\$374,505.29</u>	

*Outgo:*

For Expenses.....	\$218,057.13	A decrease from previous year of \$5,424.07.
For Losses less Salvage.....	114,784.40	An increase over previous year of \$7,831.38.
	<u>\$332,841.53</u>	

Making the excess of Income over Outgo.....\$41,663.76

Of this sum there was transferred to

Special and other Reserves.....	\$14,317.63	
Accounts written off.....	1,779.68	
Loss on Securities sold less increase in value of Securities unsold.....	100.00	16,197.31

Leaving for final disposition.....\$25,466.45

Out of this was paid Dividends amounting to..... 24,000.00

And the remainder, namely, \$ 1,466.45  
was transferred to Surplus Account.

*The Canadian Surety Company*

Financial Statement, December 31, 1925.

*Resources:*

Bonds and Debentures at Market Value.....	\$642,678.61
Cash on Hand and in Banks.....	40,697.10
Premiums in course of collection.....	38,021.73
Agency Advances.....	6,300.00
Interest in course of collection.....	7,368.99
Reinsurance receivable.....	4,347.31
	<hr/>
	\$739,413.74

*Liabilities:*

Capital Stock.....	\$300,000.00
Surplus and Undivided Profits.....	162,380.03
Reserve for Unearned Premiums.....	158,271.59
Voluntary Special Reserve.....	30,000.00
Reserve for Contingent Claims.....	63,245.52
Reserve for Outstanding Premiums.....	12,840.54
Reserve for Expenses and Taxes.....	6,000.00
Reinsurance Payable.....	6,676.06
	<hr/>
	\$739,413.74

NOTE—American Surety Company of New York owns 2595 of the 3000 shares of capital stock of this Company, and carries the same at par.

### *Bonds and Debentures Owned by Canadian Surety Company*

\$ 4,014.75	City of Guelph, 5%, due 1932.....	\$4,117.12
9,733.33	City of Victoria, 4%, due 1936.....	8,867.06
10,000.00	Town of Owen Sound, 4½%, due 1932	9,509.00
9,733.33	City of Toronto, 4%, due 1948.....	8,874.85
2,000.00	City of Fort William, 4½%, due 1952.	1,828.40
10,000.00	City of Belleville, 4½%, due 1941...	9,424.00
5,700.00	City of Stratford, 4½%, due 1932...	5,438.94
10,346.29	St. Hyacinthe, Que. Sch., 4½%, due 1953-60.....	9,179.13
7,000.00	Dist. N. Vancouver, 5%, due 1960...	6,379.80
10,000.00	City of Brandon, Man., 5%, due 1933	9,852.00
5,000.00	Town of Swift Current, 6%, due 1933	5,122.50
7,000.00	Twp. Richmond, B. C., 4½%, due 1959	5,916.40
15,000.00	City of Sydney, N. S., 4½%, due 1942	13,374.00
8,000.00	Town of Estevan, Sask., 5%, due 1942-3.....	6,885.76
1,000.00	Rural Mun. St. Vital, Man., 6%, due 1933.....	1,012.10
3,000.00	Neepawa, Man., 6%, due 1944.....	3,091.50
17,000.00	Town of Sorel, Que., 5%, due 1952 ..	16,297.90
8,000.00	Town of North Bay, 5%, due 1938-41	7,677.60
4,000.00	Town of North Bay, 5%, due 1942-43	3,838.80
7,000.00	Portage Industrial Exhibition Guarant- eed.....	6,642.30
	City of Portage La Prairie 5%, due 1934.....	
1,000.00	City of Edmonton, Alta., 5%, due 1933	967.70
10,000.00	Prov. New Brunswick, 3%, due 1939..	7,900.00
5,000.00	Town of Lindsay, Ont., 5½%, due 1934.....	5,172.50
1,892.92	Town of Watrous, Sask., 5½%, due 1925-56.....	1,731.65
2,000.00	Twp. Esquimalt, B. C., 5%, due 1963.	1,760.00
2,464.54	Town of Smith Falls, 5½%, due 1933-5	2,487.31
2,000.00	Town of Welland, 5½%, due 1934...	2,025.00
2,423.48	Town of Waterloo, 5¾%, due 1928...	2,548.29
1,946.66	City of Hamilton, Ont., 4%, due 1940	1,620.21
1,877.23	Town of Renfrew, 5%, due 1937-41..	1,785.45
9,964.20	Windsor, Ont., By-Law, 5½%, due 1946-49.....	9,582.52
5,000.00	County of Norfolk, 5%, due 1932....	4,688.90
10,000.00	Govt. Newfoundland, 6½%, due 1928	10,000.00
45,000.00	Dominion War Loan, 5½%, due 1934.	44,400.00
4,000.00	Toronto Harbour Comm., 4½%, due 1953.....	3,376.00



*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

\$ 5,000.00	Province of Quebec, 4½%, due 1946..	\$4,295.50
4,000.00	City of St. Catherines, 4%, due 1935..	3,267.68
5,000.00	City of Galt, 5%, due 1937.....	4,538.00
5,000.00	Prov. New Brunswick, 6%, due 1930.	4,954.00
25,000.00	Hydro Elec. Power Comm. of Ontario, 4%, due 1957.....	17,055.00
5,000.00	Greater Winnipeg Water Dist. Man., 6%, due 1940.....	4,643.50
5,000.00	City of Toronto, 6%, due 1935.....	4,809.00
10,000.00	Province of Ontario, 6%, due 1935...	9,300.00
1,703.33	City of Winnipeg Reg. Stock, 4½%, due 1943-63.....	1,371.77
10,000.00	City of Toronto, 5½%, due 1927....	9,426.00
6,000.00	City of Halifax, 6%, due 1931.....	5,781.60
4,000.00	Twp. of York, 6%, due 1931.....	3,828.40
5,000.00	Prov. Saskatchewan, 6%, due 1936...	4,950.00
10,000.00	Hydro Elec. Power Comm. of Ontario, 6%, due 1941.....	9,661.00
50,000.00	City of Toronto, 6%, due 1945.....	47,860.00
5,000.00	City of Regina, 5½%, due 1942.....	4,911.00
7,000.00	County of Lincoln, 5½%, due 1942..	7,084.00
15,000.00	Dom. of Can. War Loan, 5½%, due 1932.....	15,002.40
2,000.00	City of Three Rivers, 5½%, due 1947.	1,990.00
4,399.47	Toronto Power Co. Ltd., 4½%, due 1941.....	3,823.57
2,000.00	Town of Oshawa, 5½%, due 1946...	2,000.00
4,000.00	Town of Carleton Place, 5½%, due 1952.....	3,971.20
2,717.24	Town of Oshawa, 6%, due 1929-31...	2,763.32
30,000.00	Huron & Erie Mortgage Corp., 5%, due 1930.....	30,000.00
15,000.00	City of Victoria, 5½%, due 1941....	14,914.50
15,000.00	Can. Nat. Rlys., 5%, due 1935.....	14,850.00
13,000.00	City of Toronto, 5%, due 1953.....	12,511.20
25,000.00	Toronto Gen. Trusts Corpn., 5½%, due 1929.....	25,000.00
10,000.00	National Trust Co. Ltd., 5½%, due 1929.....	10,000.00
15,000.00	Can. Permanent Trust Co., 5½%, due 1929.....	15,000.00
10,000.00	Can. Permanent Mortgage Corpn., 5½%, due 1929.....	10,000.00
5,000.00	Can. Permanent Trust Co., 5½%, due 1930.....	5,000.00



*Bonds and Debentures Owned by  
Canadian Surety Company—Continued*

5,000.00	Toronto General Trusts Corp., 5½%, due 1930.....	\$ 5,000.00
20,000.00	Can. Permanent Trust Co., 5¼%, due 1930.....	20,000.00
20,000.00	Toronto General Trusts Corp., 5¼%, due 1930.....	20,000.00
5,000.00	City of Toronto Roman Catholic Sep- arate Schools, 5%, due 1945.....	4,981.25
6,000.00	The Toronto Harbour Commissioners, 4½%, due 1953.....	5,550.00
Cost Value.....		\$613,468.58
Market Value.....		\$642,678.61

The revenue accounts of the Compania Mexicana de Garantias, S. A. (Mexican Surety Company) for the period under review indicate:

*Income:*

From Premiums.....	P373,517.36	An increase over previous year of P119,825.71.
From Commissions.....	47,779.05	An increase over the previous year of P30,990.67.
From Interest and Dividends..	36,559.40	An increase over the previous year of P12,075.23.
From Stocks and Bonds.....	5,421.38	An increase over the previous year of P5,421.38.

*Outgo:*

	P463,277.19	
For Expenses and Taxes.....	P129,252.92	An increase over the previous year of P37,378.11.
For Claims less Salvages.....	147,614.11	An increase over the previous year of P4,941.58.
For Exchange.....	534.03	A decrease from the previous year of P2,307.22.
	P277,401.06	

Making the excess of Income over Outgo..... P185,876.13  
which was distributed to various  
Reserves and Surplus Account.

*Mexican Surety Company*

Financial Statement—December 31, 1925.

*Resources:*

Cash in Banks and Office.....	P108,432.88
Stocks and Bonds.....	507,220.00
Mortgages, Reinsurances and Accounts Receivable..	253,061.19
Cash Deposits under law.....	30,000.00
Deposits in Banks in Liquidation.....	16,208.18
Premiums in Course of Collection.....	15,111.49
Interest in Course of Collection.....	5,444.38
	<hr/>
	P935,478.12

*Liabilities:*

Capital Stock.....	P500,000.00
Surplus and Undivided Profits.....	224,208.21
Reserve for Unearned Premiums.....	170,158.80
Claims in Process of Adjustment.....	18,011.11
Reserve for Expenses and Taxes.....	20,000.00
Voucher Account.....	3,100.00
	<hr/>
	P935,478.12

NOTE—American Surety Company of New York owns 4945 of the 5000 shares of capital stock of the Company and carries the same at par.

### *Securities Owned by Mexican Surety Company*

P570 M. Participation Certificates of Loan made to Federal Government by Banco Nacional de Mexico	P28,500.00
176 M. Mexican Federal Government 5% Exterior 1945 Gold Bonds.....	66,880.00
300 M. Mexican Federal Government 3% Dec. 31, 1925 Silver Bonds.....	42,000.00
531 M. Mexican Federal Government 6% July, 1923 "C" Gold Bonds.....	26,550.00
1,100 Mexican Federal Government 5% Bonds Interior Debt with accrued interest.....	220.00
20 M. Seaboard Air Line 1st & Con. 6% Bonds due Sept. 1945.....	37,450.00
20 M. St. Louis & San Fran. P. L. 5% Bonds due July 1, 1950.....	37,075.00
20 M. Mo. Kans. & Tex. Ry. Co. P. L. 5% Bonds due Jan. 1, 1962.....	36,075.00
17 M. Mo. Pacific R. R. Co. 1st & Ref. 6% Bonds due Feb. 1, 1949.....	34,240.00
18 M. Mo. Pacific R. R. Co. 5% Bonds due Jan. 1, 1965.....	32,130.00
10 M. Cleve. Cinn. & St. L. Ry. "D" Ref. & Imp. 5% Bonds due July 1, 1963.....	19,500.00
10 M. Amer. Tel. & Tel. Co. 5% Bonds due Jan. 1, 1960.....	19,200.00
10 M. N. Y. Chicago & St. L. Ry. 5½% Bonds due Apr. 1, 1974.....	19,100.00
10 M. Seaboard Air Line 1st Gold 4's due April 1950.	15,950.00
500 Shares Lehigh Valley Coal Sales Co. Stock (Par \$50).....	81,750.00
800 Shares Banco de Tamaulipas Stock.....	5,600.00
One Share Mexico City Country Club.....	5,000.00
	<hr/> P507,220.00

*Comparative Statement  
American Surety Company of New York,*

	Resources and Liabilities		Increase (I) or Decrease (D)
RESOURCES:	1925	1924	
Real Estate....	\$8,855,724.99	\$8,955,224.99	\$99,500.00 (D)
Securities at Market Value:			
Stocks.....	935,950.00	870,750.00	65,200.00 (I)
U. S. Bonds....	4,051,212.54	4,152,056.25	100,843.71 (D)
Other Bonds....	2,588,588.75	1,235,831.25	1,352,757.50 (I)
Cash in Banks and Offices...	764,777.22	667,441.96	97,335.26 (I)
Premiums in Course of Col- lection.....	1,812,561.61	1,692,628.74	119,932.87 (I)
Accrued Interest and Rents....	98,030.32	71,376.17	26,654.15 (I)
Reinsurance and Other Ac- counts Receiv- able.....	120,335.89	51,274.50	69,061.39 (I)
Funds held by Surety Pool- Motor Vehicle Bonding Co's.	50,933.68	83,513.40	32,579.72 (D)
	\$19,278,115.00	\$17,780,097.26	\$1,498,017.74 (I)
LIABILITIES:			
Capital Stock...	\$5,000,000.00	\$5,000,000.00	
Surplus and Un- divided Profits	3,025,378.79	2,579,715.58	445,663.21 (I)
Reserve for Un- earned Premi- ums.....	6,145,841.87	5,671,581.89	474,259.98 (I)
Reserve for Con- tingent Claims	3,734,209.31	3,271,723.58	462,485.73 (I)
Reserve for Ex- penses & Taxes	703,982.24	667,769.88	36,212.36 (I)
Reserve against Outstanding Premiums....	546,061.12	535,668.16	10,392.96 (I)
Reinsurance and other Accounts Payable.....	122,641.67	53,638.17	69,003.50 (I)
	\$19,278,115.00	\$17,780,097.26	\$1,498,017.74 (I)

### *General Information*

On the last day of 1925 there remained in force bonds carrying a liability of \$2,124,186,048.

There were presented to us during 1925:

4190 Fidelity Claims
475 Official Claims
908 Court, Contract and Depository Claims
724 Burglary Insurance Claims
226 Forgery Claims

Making a total of 6523

An increase of 90 as compared with 1924.

There was recovered by us \$1,416,891.60 in cash, against claim payments of \$3,826,523.57.

Percentage of Surety Claims paid to Net Premiums—	
Year 1925.....	26.93

Percentage of Burglary Claims paid to Net Premiums—	
Year 1925.....	32.52

Percentage of Surety Claims paid to Net Premiums—	
Entire period.....	25.10

Percentage of Burglary Claims paid to Net Premiums—	
Entire period.....	33.74

We are represented in this country by 41 Branch Office Managers, and 15,009 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$109,030,324.21
Its Net Paid Losses were.....	27,771,628.15
And its Expenses.....	63,021,683.31

Leaving an excess from underwriting, subject to	
Reserve, of.....	\$18,237,012.75
or.....	16.73%

Our Stockholders received in Cash Dividends.... \$13,837,500.00



A voluntary reserve of \$546,061.12 is shown on our statement, against premiums in course of collection of \$1,812,561.61 to take care of such items on the list as may hereafter prove uncollectible.

The Claim Reserve is ample to take care of all cases that have been reported, or in which notice has been served, and there is included therein \$750,000 to cover eventualities, in accordance with a ruling of the Insurance Department.

The Expense and Tax Reserve is more than sufficient to meet all items in transit between Branch Offices and Home Office; all taxes, other than realty, that may be levied during the current year, Federal, State and local; all commissions and brokerages on premiums in course of collection; and all expenses in connection with pending claims, other than salaries of permanent employees.

Salvage assets in our hands are not carried in our Financial accounts. In a word, the American Surety Company and its subsidiaries are in a sound financial condition.

This concludes the routine.

And now that I have asked to be permitted to retire from the Presidency, to which you elected me fourteen years ago this month, I deem it my duty to place before you a resume of my stewardship.

There is no need to dwell upon the lights and shadows that came and went with time and tide. Suffice it to say that they made the journey intensely interesting. What you want to know is the final outcome of the endeavor put forth. These are the answers:

(All comparisons are with the 1911 figures, and inasmuch as they include the business done in Canada and Mexico, the 1925 transactions of the Canadian and Mexican Companies are also included; otherwise the picture would be incomplete.)

(In round figures)

	1911	1925	Increase	%
Net Premiums . . . . .	\$2,499,000	\$ 9,327,000	\$ 6,828,000	273
Interest and Rents . . .	239,000	1,066,000	827,000	345
Gross Assets . . . . .	8,804,000	20,792,000	11,988,000	136
Surplus . . . . .	1,206,000*	3,408,000	2,202,000	182

\*After payment of special dividend of \$2,500,000 in 1912.

The Surplus of \$3,408,000 remains *after*:

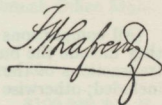
Paying Dividends aggregating.....	\$6,675,000*
Increasing Premium Reserves.....	4,935,000
Absorbing Securities Losses Totaling.....	425,000
Setting up in Special Claim Reserve.....	750,000
Creating Bad Debts Reserve.....	416,000
Creating an Expense and Tax Reserve of.....	703,000
Writing down the Real Estate Account.....	400,000

\*Not including the special dividend above referred to.

Far be it from me to arrogate to myself alone credit for these results. They could not have been achieved without the wise counsel and gracious support of this Board and of the various Committees named by it from time to time; nor without the loyal cooperation not only of my immediate associates in the management, but of the entire staff, both at home and abroad. So I take this opportunity of placing on record my grateful appreciation of all that has been done to aid my efforts and to make life worth while, and my sincere thanks to one and all.

At the same time I bespeak for him who has been nominated as my successor the same kindly consideration that has been accorded me. My best wishes attend him, and it will be my pleasure to give him whatever assistance I am capable of. He is safe and sane. He will carry on in the prevailing spirit, maintaining the same high ideals that have at all times controlled the operations of the Company and have gained for it the enviable reputation for probity and fair dealing which it enjoys throughout the length and breadth of the land.

All of which is respectfully submitted.



*President.*











REPORT  
OF THE PRESIDENT  
*of the*  
AMERICAN SURETY COMPANY  
*of* NEW YORK

FOR YEAR ENDED  
December 31, 1926





January 19, 1927.

*To the Board of Trustees:*

The results of the operations of our Company for the year ended December 31, 1926 (being the forty-third year of its operations), are given below. Comparisons are with the preceding year.

INCOME:

From Premiums.....	\$9,257,184.23	An increase of \$481,649.25
From Dividends, Interest and Rents, less operating cost..	1,081,798.64	An increase of \$ 59,495.60
	<u>\$10,338,982.87</u>	

OUTGO:

For Expenses.....	\$5,157,103.30	An increase of \$202,798.66
For Taxes.....	326,098.09	An increase of \$57,529.88
For Losses (less Salvages \$1,452,865.91) .....	2,374,294.18	A decrease of \$247,823.52
	<u>\$7,857,495.57</u>	

Excess of Income over Outgo.....	\$2,481,487.30
Add increase in value of securities unsold and profit on securities sold.....	121,256.52
	<u>\$2,602,743.82</u>

Of this sum there was transferred to

Reserve for Unearned Premiums.....	\$331,688.51
Reserve for Expenses and Taxes.....	196,082.05
Reserve for Outstanding Premiums.....	58,378.49
Depreciation of Building.....	100,000.00
Special Claim Reserve.....	250,000.00
	<u>936,149.05</u>

Leaving for final disposition.....	\$1,666,594.77
Dividends paid amounted to.....	<u>900,000.00</u>

And the balance, namely..... \$ 766,594.77  
was transferred to Surplus Account.

## AMERICAN SURETY COMPANY OF NEW YORK

*Financial Statement December 31, 1926*

## RESOURCES

Real Estate.....		\$8,739,224.99
Securities at Market Value:		
U. S. Government Bonds.....	\$4,095,223.44	
All other Bonds.....	3,572,505.25	
Stocks.....	1,187,550.00	
		8,855,278.69
Premiums in Course of Collection.....		2,024,147.89
Cash in Banks and Offices.....		1,098,489.27
Reinsurance and other Accounts Receivable.....		155,663.65
Accrued Interest and Rents.....		92,341.04
		<hr/>
		\$20,965,145.53

## LIABILITIES

Capital Stock.....	\$5,000,000.00
Surplus and Undivided Profits.....	3,791,973.56
Reserve for Unearned Premiums.....	6,477,530.38
Reserve for Contingent Claims.....	4,027,800.77
Reserve for Outstanding Premiums.....	604,439.61
Reserve for Expenses and Taxes.....	900,064.29
Reinsurance and other Accounts Payable.....	163,336.92
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	\$20,965,145.53



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AMERICAN SURETY COMPANY OF NEW YORK

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*Securities Owned:*

STOCKS

5000 Shares	Amsuco Securities Company.....	\$ 200,000.00
2595 Shares	Canadian Surety Company.....	259,500.00
600 Shares	Chase National Bank and Chase Securities Corp. of N. Y.....	253,800.00
4945 Shares	Compania Mexicana de Garantias S. A.....	247,250.00
4000 Shares	Pennsylvania Railroad Company.....	227,000.00
		<hr/>
		\$1,187,550.00

U. S. GOVERNMENT BONDS

\$1,665,000	U. S. of America 2nd Liberty Loan 4½% due Nov. 15, 1927-42.....	\$1,682,690.63
685,000	U. S. of America 2nd Liberty Loan 4½% Registered due Nov. 15, 1927-42.....	692,064.06
300,000	U. S. of America 3rd Liberty Loan 4½% due Sept. 15, 1928.....	304,500.00
800,000	U. S. of America 4th Liberty Loan 4½% due Oct. 15, 1933-38.....	827,750.00
250,000	U. S. of America 4½% Treasury Bonds due Oct. 15, 1947-52.....	275,625.00
200,000	U. S. of America 4% Treasury Bonds due Dec. 15, 1944-54.....	212,312.50
100,000	U. S. of America Treasury Notes Series "B" Coupon 4¾% due March 15, 1927.....	100,281.25
		<hr/>
		\$4,095,223.44

STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS

\$ 50,000	City of Montreal (Maisonneuve) 5½% due May 1, 1930.....	\$ 50,375.00
25,000	City of Toronto Consol. Loan Deb. 5% due Oct. 1, 1930.....	25,000.00
20,000	City of Winnipeg, Dom. of Canada Deb. 5% due Jan. 2, 1943.....	20,000.00
50,000	Dominion of Canada (Province of Ontario) 4½% Deb. due Dec. 1, 1929.....	49,312.50
50,000	Dominion of Canada 10-Year Gold Bonds 4½% due Feb. 1, 1936.....	48,937.50
50,000	N. Y. State Canal Imp. 3% Reg. due July 1, 1958.....	46,500.00
10,000	Porto Rico Gold Loan of 1915 4% Reg. due Jan. 1, 1956.....	9,500.00
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		\$ 249,625.00

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ANNUAL REPORT OF THE PRESIDENT

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## RAILROAD BONDS

\$10,000	Atlantic Coast Line R. R. Equip. Trust Series "E" 4½% due Feb. 1, 1928..	\$ 9,975.00
20,000	Atlantic Coast Line R. R. Equip. Trust Series "E" 4½% due Feb. 1, 1929..	19,900.00
20,000	Atlantic Coast Line R. R. Equip. Trust Series "E" 4½% due Feb. 1, 1930..	19,825.00
50,000	Atlantic Coast Line R. R. Co. Conv. Reg. 4% Deb. due Nov. 1, 1939..	45,625.00
25,000	Baltimore & Ohio Equip. Trust Series "B" 4½% due May 1, 1930..	24,750.00
50,000	Baltimore & Ohio R. R. Ref. & Gen'l Mort. Series "D" 5% due Mar. 1, 2000	50,125.00
25,000	Canadian Nat'l Ry. Equip. Trust 4½% Series "H" due July 1, 1928..	24,812.50
100,000	Canadian National Ry. Co. 4½% 5-Year Gold Bonds due Feb. 15, 1930..	99,000.00
100,000	Canadian Northern Ry. Co. 4½% 10-Year Gold Bonds due Feb. 15, 1935..	97,500.00
100,000	Canadian Northern Ry. Co. (Winnipeg Terminals) 1st Mtge. 4% due July 1, 1939..	88,000.00
50,000	Chesapeake & Ohio Ry. Co. 4½% 20-Year Conv. Gold Bonds due Feb. 1, 1930..	49,625.00
10,000	Chesapeake & Ohio Ry. Co. Equip. Trust 5% Gold Cfts. due July 1, 1927..	10,006.25
10,000	Chesapeake & Ohio Ry. Co. Equip. Trust 5% Gold Cfts. due July 1, 1928..	10,012.50
10,000	Chesapeake & Ohio Ry. Co. Equip. Trust 5% Gold Cfts. due July 1, 1929..	10,025.00
50,000	Chicago, Rock Island & Pac. Ry. Co. 1st & Ref. Mtge. 4% due April 1, 1934	46,125.00
50,000	Chicago, Rock Island & Pac. Ry. Co. 5% 5-Year Sec. Gold Notes due July 1, 1929..	49,875.00
100,000	Chicago, St. Paul, Minn. & Omaha Ry. Co. 5% due Mar. 1, 1930..	99,500.00
50,000	Chicago Union Station 1st Mtge. Series "B" 5% due July 1, 1963..	52,250.00
25,000	Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Ref. & Imp. 6% Series "A" due July 1, 1929..	25,656.25
50,000	Cleveland Union Terminals Co. 1st Mtge. S. F. 5½% Series "A" due April 1, 1972..	54,250.00
100,000	Delaware & Hudson Co. 20-Year Conv. Gold Bonds 5% due Oct. 1, 1935..	114,000.00
50,000	Erie R. R. Co. 2-Year Sec. Gold Notes 4½% due July 1, 1928..	49,562.50
25,000	Erie & Jersey R. R. Co. 1st Mtge. 50-Year S. F. Gold 6% due July 1, 1955..	27,875.00
50,000	Erie R. R. Co. General Lien 4% Gold Bonds due Jan. 1, 1996..	36,812.50
25,000	Gen'l Amer. Tank Car Corp. 4½% Equip. Trust Cfts. Series 17 due Oct. 1, 1930..	24,312.50
50,000	Great Northern Ry. Co. Gen'l Mtge. 7% July 1, 1936..	56,875.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. 5% due April 1, 1950..	24,812.50
100,000	Missouri Pacific R. R. Co. 5% Secured Gold Notes due July 1, 1927..	99,937.50
25,000	Missouri Pacific R. R. Co. 1st Ref. Mtge. 6% Series "E" due May 1, 1955..	26,562.50
12,000	New York Central Lines 4½% Equip. Trust Cfts. due Sept. 15, 1927..	11,977.50
12,000	New York Central Lines 4½% Equip. Trust Cfts. due Sept. 15, 1928..	11,940.00
12,000	New York Central Lines 4½% Equip. Trust Cfts. due Sept. 15, 1929..	11,895.00
14,000	New York Central Lines 5% Equip. Trust of 1924 Notes due June 1, 1927..	14,008.75
14,000	New York Central Lines 5% Equip. Trust of 1924 Notes due June 1, 1928..	14,017.50
14,000	New York Central Lines 5% Equip. Trust of 1924 Notes due June 1, 1929..	14,052.50
50,000	Pennsylvania R. R. Co. 40-Year Secured Gold Bonds 5% due Nov. 1, 1964	51,000.00
50,000	St. Louis, San Fran. Ry. Co. P. L. Mtge. 5½% Series "D" due Jan. 1, 1942	51,062.50
25,000	St. Louis & Southwestern Ry. Co. 1st Consd. Mtge. 4% Gold due June 1, 1932..	21,625.00
50,000	Southern Pac. Co. 20-Year Conv. 4% Gold Bonds due June 1, 1929..	49,250.00
15,000	Southern Pacific Co. Equip. Trust Series "H" 4½% due June 1, 1929..	15,056.25
10,000	Southern Pacific Co. Equip. Trust Series "H" 4½% due June 1, 1930..	9,812.50
50,000	Southern Ry. Co. Development & Gen'l Mtge. 4% Series "A" due April 1, 1956..	43,000.00
25,000	Texarkana, Ft. Smith Ry. Co. 1st Mtge. Guar. Gold Series "A" 5½% due Aug. 1, 1950..	25,875.00

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AMERICAN SURETY COMPANY OF NEW YORK

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RAILROAD BONDS—Continued

\$ 5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1927.....	\$ 4,965.00
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1928.....	4,956.00
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1929.....	4,947.00
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1930.....	4,938.50
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1931.....	4,930.50
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1932.....	4,923.00
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1933.....	4,915.50
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1934.....	4,908.50
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1935.....	4,902.00
5,000	Union Tank Car Co. Equip. Trust $4\frac{1}{2}\%$ Gold Cdfs. due Oct. 1, 1936.....	4,895.50
50,000	Wabash R. R. Co. 2nd Mtge. 5% due Feb. 1, 1939.....	50,625.00
50,000	Wabash Ry. Ref. & Gen'l 5% Series "B" due Aug. 1, 1976.....	48,375.00
		<hr/>
		\$1,840,441.50

PUBLIC UTILITY BONDS

50,000	American Tel. & Tel. Co. 35-Year S. F. Deb. due Jan. 1, 1960.....	\$ 50,500.00
125,000	Brooklyn Manhattan Transit Co. 6% Coupon Bonds due July 1, 1968.....	123,437.50
50,000	Brooklyn Union Gas Co. 10-Year Conv. Deb. $5\frac{1}{2}\%$ due Jan. 1, 1936.....	79,500.00
100,000	Consolidated Gas Co. of N. Y. Deb. $5\frac{1}{2}\%$ due Feb. 1, 1945.....	105,750.00
100,000	Edison Electric Illum. Co. of Boston $4\frac{1}{2}\%$ Gold Notes due Jan. 15, 1928.....	99,875.00
100,000	New York Edison Co. 5% 1st Lien & Ref. Mtge. due Oct. 1, 1944.....	103,375.00
100,000	New York Gas, Electric Light, Heat & Power Co. 1st Mtge. 5% due Dec. 1, 1948.....	106,000.00
35,000	New York Telephone Co. 30-Year S. F. 6% Deb. due Feb. 1, 1949.....	38,587.50
25,000	Public Service Elec. Power Co. 1st Mtge. S. F. Gold Series '23 6% due Apr. 1, 1948.....	24,500.00
100,000	Western Union Telegraph Co. 25-Year Gold Bonds 5% due Dec. 1, 1951.....	100,875.00
100,000	Westinghouse Electric & Mfg. Co. 5% due Sept. 1, 1946.....	102,388.75
		<hr/>
		\$ 934,788.75

INDUSTRIAL BONDS

100,000	American Sugar Refining Co. 6% 15-Year Gold Bonds due Jan. 1, 1937...	\$ 103,250.00
100,000	Armour & Co. of Dela. 1st Mtge. 20-Year $5\frac{1}{2}\%$ Series "A" due Jan. 1, 1943.....	95,125.00
100,000	Atlantic Refining Co. $4\frac{1}{2}\%$ Gold Notes due Jan. 1, 1927.....	99,875.00
50,000	Brier Hill Steel Co. 1st Mtge. $5\frac{1}{2}\%$ Gold Bonds due Oct. 1, 1942.....	52,000.00
25,000	General Motors Acceptance Corp. 5% due Mar. 1, 1929.....	24,562.50
15,000	General Motors Acceptance Corp. 5% due Mar. 1, 1930.....	14,550.00
10,000	General Motors Acceptance Corp. 5% due Mar. 1, 1931.....	9,600.00
25,000	General Motors Acceptance Corp. 5% due Mar. 1, 1934.....	23,500.00
25,000	General Motors Acceptance Corp. 5% due Mar. 1, 1935.....	23,312.50
10,000	R. H. Macy & Co. $5\frac{1}{4}\%$ Serial Gold Deb. due Oct. 1, 1927.....	10,000.00
10,000	R. H. Macy & Co. $5\frac{1}{4}\%$ Serial Gold Deb. due Oct. 1, 1928.....	10,000.00
10,000	R. H. Macy & Co. $5\frac{1}{4}\%$ Serial Gold Deb. due Oct. 1, 1929.....	10,000.00
10,000	R. H. Macy & Co. $5\frac{1}{4}\%$ Serial Gold Deb. due Oct. 1, 1930.....	10,000.00
10,000	R. H. Macy & Co. $5\frac{1}{4}\%$ Serial Gold Deb. due Oct. 1, 1931.....	10,000.00
50,000	Youngstown Sheet & Tube Co. 6% Deb. due July 1, 1943.....	51,875.00
		<hr/>
		\$ 547,650.00
Grand Total.....		\$8,855,278.69



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ANNUAL REPORT OF THE PRESIDENT

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The operation of the Amsuco Securities Company resulted as under, for the period under review:

INCOME:

Interest—Tompkins-Kiel Marble Co.....	\$4,170.83	
On other Investments.....	6,689.14	
Dividends on Stocks.....	4,000.00	
		<hr/> \$14,859.97

OUTGO:

Commission.....	\$ 70.00	
Revenue Stamps.....	.20	
Accounts written off.....	\$360.00	
Less Profit on Securities Sold.....	121.25	
	<hr/> 238.75	
Federal Income Tax—Additional for 1922 with Interest.....	285.88	
Appreciation carried during 1925, but not considered in 1926.....	3,340.00	3,934.83
		<hr/>
Leaving a balance of.....		\$ 10,925.14
Paid in Dividends.....		10,000.00
		<hr/>
Added to Surplus Account.....		\$ 925.14

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AMERICAN SURETY COMPANY OF NEW YORK

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AMSUCO SECURITIES COMPANY

*Financial Statement, December 31, 1926*

RESOURCES

Bills and Accounts Receivable and Mortgage Loans		
Loans Secured by Collateral. . . . .	\$ 15,000.00	
Purchase Money Mortgage Tompkins-Kiel Marble Co. . . . .	135,000.00	
		<u>\$150,000.00</u>

Due from employees on account of American Surety Company Stock purchased by them and secured by the stock . . . . .	470.28	
Cash in Bank and Office . . . . .	1,100.63	
Accrued Interest . . . . .	222.37	

STOCKS:

9 Shares Title Guaranty and Surety Co. . . . .	90.00	
500 Shares Lehigh Valley Coal Sales Co. . . . .	40,875.00	

BONDS:

\$49,000 Central Leather Co. 6% S. F. Jan. 1, 1945. . . . .	46,733.75	
20,000 St. Louis-San Fran. Ry. Co. P. L. 5½% Jan. 1, 1942 "D". . . . .	20,097.50	
10,000 Wabash R. R. Co. 5½% Mar. 1975. . . . .	9,825.00	
10,000 Wabash R. R. Co. 5% B. R. & G. 1976. . . . .	9,525.00	
10,000 Bklyn-Manhattan Transit Corp. 6% "A" July 1, 1968. . . . .	9,650.00	
20,000 Public Service Corp. of N. J. Sec. 5½% July 1, 1956. . . . .	19,825.00	
		<u>\$308,414.53</u>

LIABILITIES

Capital Stock . . . . .	\$200,000.00	
Surplus and Undivided Profits . . . . .	108,414.53	
		<u>\$308,414.53</u>

NOTE: American Surety Company of New York owns all of the capital stock of this Company, and carries the same at par.



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ANNUAL REPORT OF THE PRESIDENT

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The revenue accounts of the Canadian Company for the period under review show:

INCOME:		Comparison with Previous Year
From Premiums.....	\$358,337.84	An increase of \$17,132.42
From Interest.....	54,557.29	An increase of \$ 1,257.42
	<hr/> \$392,895.13	
OUTGO:		
For Expenses.....	\$220,447.43	An increase of \$ 2,390.30
For Losses less Salvages.....	94,584.61	A decrease of \$20,199.79
	<hr/> \$315,032.04	
Excess of Income over Outgo.....		\$ 77,863.09
Deduct decrease in Value of Securities unsold less profit on Securities sold.....		42.22
		<hr/> \$ 77,820.87
Of this sum there was transferred to		
Reserve for Unearned Premiums.....	\$6,424.66	
Reserve for Expenses and Taxes.....	9,600.37	
Reserve for Outstanding Premiums.....	89.82	
	<hr/> 16,114.85	
Leaving for final disposition.....		\$ 61,706.02
Dividends paid amounted to.....		24,000.00
		<hr/>
And the balance, namely.....		\$ 37,706.02
was transferred to Surplus Account.		

THE CANADIAN SURETY COMPANY

*Financial Statement, December 31, 1926*

RESOURCES

Bonds and Debentures at Market Value . . . . .	\$675,631.18
Cash in Banks and offices . . . . .	43,393.00
Premiums in course of collection . . . . .	47,476.91
Agency Advances . . . . .	7,000.00
Interest accrued . . . . .	9,311.38
Reinsurance Receivable . . . . .	250.50
	<hr/>
	\$783,062.97

LIABILITIES

Capital Stock . . . . .	\$300,000.00
Surplus and Undivided Profits . . . . .	201,218.41
Reserve for Unearned Premiums . . . . .	164,696.25
Voluntary Special Reserve . . . . .	30,000.00
Reserve for Contingent Claims . . . . .	53,223.64
Reserve for Outstanding Premiums . . . . .	12,894.11
Reserve for Expenses and Taxes . . . . .	15,600.37
Reinsurance Payable . . . . .	5,430.19
	<hr/>
	\$783,062.97

NOTE: American Surety Company of New York owns 2595 of the 3000 shares of capital stock of this Company, and carries the same at par.

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ANNUAL REPORT OF THE PRESIDENT

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**BONDS AND DEBENTURES OWNED BY  
CANADIAN SURETY COMPANY**

\$ 4,014.75	City of Guelph, 5%, due 1932. . . . .	\$ 4,117.12
9,733.33	City of Victoria, 4%, due 1936. . . . .	8,867.06
10,000.00	Town of Owen Sound, 4½%, due 1932. . . . .	9,509.00
14,600.00	City of Toronto, 4%, due 1948. . . . .	13,029.52
2,000.00	City of Fort William, 4½%, due 1952. . . . .	1,828.40
10,000.00	City of Belleville, 4½%, due 1941. . . . .	9,424.00
5,700.00	City of Stratford, 4½%, due 1932. . . . .	5,438.94
10,346.29	St. Hyacinthe, Que. Sch. 4½%, due 1953-60. . . . .	9,179.13
7,000.00	Dist. N. Vancouver, 5%, due 1960. . . . .	6,379.80
10,000.00	City of Brandon, Man., 5%, due 1933. . . . .	9,852.00
5,000.00	Town of Swift Current, 6%, due 1933. . . . .	5,122.50
7,000.00	Twp. of Richmond, B. C., 4½%, due 1959. . . . .	5,916.40
15,000.00	City of Sydney, N. S., 4½%, due 1942. . . . .	13,374.00
8,000.00	Town of Estevan, Sask., 5%, due 1942-3. . . . .	6,885.76
1,000.00	Rural Mun. St. Vital, Man. 6%, due 1933. . . . .	1,012.10
3,000.00	Neepawa, Man., 6%, due 1944. . . . .	3,091.50
17,000.00	Town of Sorel, Que., 5%, due 1952. . . . .	16,297.90
8,000.00	Town of North Bay, 5%, due 1938-41. . . . .	7,677.60
4,000.00	Town of North Bay, 5%, due 1942-45. . . . .	3,838.80
7,000.00	Portage Industrial Exhibition Guaranteed. . . . .	6,642.30
	City of Portage La Prairie, 5%, due 1934. . . . .	
1,000.00	City of Edmonton, Alta., 5%, due 1933. . . . .	967.70
10,000.00	Prov. New Brunswick, 3%, due 1939. . . . .	7,900.00
5,000.00	Town of Lindsay, Ont. 5½%, due 1934. . . . .	5,172.50
1,845.88	Town of Watrous, Sask., 5½%, due 1927-56. . . . .	1,692.39
2,000.00	Twp. Esquimalt, B. C., 5%, due 1963. . . . .	1,760.00
2,464.54	Town of Smith Falls, 5½%, due 1933-5. . . . .	2,487.31
2,000.00	Town of Welland, 5½%, due 1934. . . . .	2,025.00
2,423.48	Town of Waterloo, 5¾%, due 1928. . . . .	2,548.29
1,946.66	City of Hamilton, Ont., 4%, due 1940. . . . .	1,620.21
1,877.23	Town of Renfrew, 5%, due 1937-41. . . . .	1,785.45
9,964.20	Windsor, Ont. By-Law, 5½%, due 1946-49. . . . .	9,582.52
5,000.00	County of Norfolk, 5%, due 1932. . . . .	4,688.90
10,000.00	Govt. Newfoundland, 6½%, due 1928. . . . .	10,000.00
45,000.00	Dominion War Loan, 5½%, due 1934. . . . .	44,400.00
4,000.00	Toronto Harbour Comm., 4½%, due 1953. . . . .	3,376.00
5,000.00	Province of Quebec, 4½%, due 1946. . . . .	4,295.50
4,000.00	City of St. Catherines, 4%, due 1935. . . . .	3,267.68
5,000.00	City of Galt, 5%, due 1937. . . . .	4,538.00

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AMERICAN SURETY COMPANY OF NEW YORK

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CANADIAN SURETY COMPANY—*Continued*

\$ 5,000.00	Prov. New Brunswick, 6%, due 1930.....	\$ 4,954.00
25,000.00	Hydro Elec. Power Comm. of Ontario, 4%, due 1957.....	17,055.00
5,000.00	Greater Winnipeg Water Dist. Man., 6%, due 1940.....	4,643.50
5,000.00	City of Toronto, 6%, due 1935.....	4,809.00
10,000.00	Province of Ontario, 6%, due 1935.....	9,300.00
1,703.33	City of Winnipeg Reg. Stock, 4½%, due 1943-63.....	1,371.77
6,000.00	City of Halifax, 6%, due 1931.....	5,781.60
4,000.00	Twp. of York, 6%, due 1931.....	3,828.40
5,000.00	Prov. Saskatchewan, 6%, due 1936.....	4,950.00
10,000.00	Hydro Elec. Power Comm. of Ontario, 6%, due 1941.....	9,661.00
50,000.00	City of Toronto, 6%, due 1945.....	47,860.00
5,000.00	City of Regina, 5½%, due 1942.....	4,911.00
7,000.00	County of Lincoln, 5½%, due 1942.....	7,084.00
15,000.00	Dom. of Can. War Loan, 5½%, due 1932.....	15,002.40
2,000.00	City of Three Rivers, 5½%, due 1947.....	1,990.00
4,399.47	Toronto Power Co. Ltd., 4½%, due 1941.....	3,823.57
2,000.00	Town of Oshawa, 5½%, due 1946.....	2,000.00
4,000.00	Town of Carleton Place, 5½%, due 1952.....	3,971.20
2,717.24	Town of Oshawa, 6%, due 1929-31.....	2,763.32
30,000.00	Huron & Erie Mortgage Corp., 5%, due 1930.....	30,000.00
15,000.00	City of Victoria, 5½%, due 1941.....	14,914.50
15,000.00	Can. Nat. Rys., 5%, due 1935.....	14,850.00
13,000.00	City of Toronto, 5%, due 1953.....	12,511.20
25,000.00	Toronto Gen. Trusts Corp., 5½%, due 1929.....	25,000.00
10,000.00	National Trust Co. Ltd., 5½%, due 1929.....	10,000.00
15,000.00	Can. Permanent Trust Co., 5½%, due 1929.....	15,000.00
10,000.00	Can. Permanent Mortgage Corp., 5½%, due 1929.....	10,000.00
5,000.00	Can. Permanent Trust Co., 5½%, due 1930.....	5,000.00
5,000.00	Toronto General Trusts Corp., 5½%, due 1930.....	5,000.00
20,000.00	Can. Permanent Trust Co., 5½%, due 1930.....	20,000.00
20,000.00	Toronto General Trusts Corp., 5¼%, due 1930.....	20,000.00
5,000.00	City of Toronto Roman Catholic Separate Schools, 5%, due 1945.....	4,981.25
6,000.00	The Toronto Harbor Commissioners, 4½%, due 1953.....	5,550.00
7,000.00	City of Montreal Protestant Schools, 4½%, due 1943.....	6,602.40
6,693.58	Town of Sandwich, 5½%, due 1940-41-42.....	6,945.85
6,000.00	Town of Sandwich, 5½%, due 1946.....	6,220.80
5,000.00	City of Halifax, 5%, due 1961.....	5,041.50
3,000.00	City of Port Arthur, 5%, due 1945.....	2,955.00
10,000.00	City of Edmonton, 5½%, due 1945.....	10,087.50
	Cost Value.....	\$646,011.04
	Market Value.....	\$675,631.18



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ANNUAL REPORT OF THE PRESIDENT

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The revenue accounts of the Compania Mexicana de Garantias, S. A. (Mexican Surety Company) for the period under review show:

INCOME:		Comparison with Previous Year
From Premiums . . . . .	\$242,389.49	An increase of \$55,630.81
From Interest and Dividends . . . . .	26,905.19	An increase of \$8,625.49
From Stocks and Bonds . . . . .	2,686.25	A decrease of \$24.44
From Exchange . . . . .	22.12	As against an outgo of \$267.01
	<hr/>	
	\$272,003.05	
 OUTGO:		
For Expenses and Taxes . . . . .	\$ 73,748.55	An increase of \$9,122.09
For Losses less Salvages . . . . .	123,125.38	An increase of \$48,318.32
For Commissions . . . . .	12,145.52	As against an income of \$23,889.52
	<hr/>	
	\$209,019.45	
 Excess of Income over Outgo . . . . .		
		\$ 62,983.60
Of this sum there was transferred to		
Legal Premium Reserve . . . . .		\$17,738.78
Voluntary Premium Reserve . . . . .		17,500.00
Legal Fund Provision . . . . .		5,000.00
		<hr/>
		40,238.78
Leaving for final disposition . . . . .		\$ 22,744.82
Dividends paid amounted to . . . . .		20,000.00
		<hr/>
And the balance, namely . . . . .		\$ 2,744.82
was transferred to Surplus Account.		

Reduced to United States Currency  
in the ratio of  
Two Pesos, Mexican, to One Dollar, United States



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AMERICAN SURETY COMPANY OF NEW YORK

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MEXICAN SURETY COMPANY

*Financial Statement December 31, 1926*

Reduced to United States Currency  
in the ratio of  
Two Pesos, Mexican, to One Dollar, United States

RESOURCES

Stocks and Bonds . . . . .	\$302,378.00
Cash in Banks and Office . . . . .	59,734.48
Mortgages, Reinsurances and Accounts Receivable . . . . .	108,306.73
Cash Deposits under Law . . . . .	46,000.00
Premiums in Course of Collection . . . . .	24,162.47
Accrued Interest . . . . .	1,810.13
	<hr/>
	\$542,391.81

LIABILITIES

Capital Stock . . . . .	\$250,000.00
Surplus and Undivided Profits . . . . .	129,848.93
Reserve for Unearned Premiums . . . . .	120,318.18
Reserve for Contingent Claims . . . . .	42,224.70
	<hr/>
	\$542,391.81

NOTE: American Surety Company of New York owns 4945 of the 5000 shares of capital stock of this Company, and carries the same at par.

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AMERICAN SURETY COMPANY OF NEW YORK

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SECURITIES OWNED BY MEXICAN SURETY COMPANY

P570,000	Participation Certificates 6%, 1913.....	\$ 14,250.00
300,000	Mexican Federal Gov. 3% Bonds, Dec. 31, 1925, Silver.....	21,000.00
1,100	Mexican Federal Gov. 5% Bonds, Interior Debt.....	110.00
176,000	Mexican Federal Gov. 5% Bonds, Ext. 1945, Gold.....	33,440.00
531,000	Mexican Federal Gov. 6% Bonds, July 1, 1923 "C", Gold.....	13,275.00
50,100	United Shoe & Leather Co. 5% Bonds.....	17,384.25
1	Share Mexico City Country Club.....	2,500.00
500	Shares Lehigh Valley Coal Sales Co. Stock (Par \$50).....	40,875.00
\$ 10,000	B. M. T. Corp. R. T. Sec. S. F. 6% "A" Bonds, July 1, 1968.....	9,456.25
10,000	N. Y. Chgo. & St. L. Ry. 5½% Bonds, April 1, 1974.....	9,550.00
10,000	Cleve. Cinn. Chgo. & St. L. Ry. "D" Ref. & Imp. 5% Bonds, July 1, 1963.....	9,750.00
10,000	Amer. Tel. & Tel. Co. 5% Bonds, Jan. 1, 1960.....	9,600.00
20,000	St. L. & San Fran. P. L. 5% Bonds, July 1, 1950 "B".....	18,537.50
20,000	Mo. Pac. R. R. Co. 5% Bonds, Jan. 1, 1965 1st & Ref. "A".....	18,022.50
10,000	N. Y. N. H. & Htfd. Conv. Deb. 6% Bonds, Jan. 15, 1948.....	9,925.00
5,000	Amer. Power & Light Co. Deb. 6% Bonds, March 1, 2016.....	4,893.75
15,000	Texarkana & Ft. Smith Ry. 1st 5½% Bonds, Aug. 1, 1950.....	15,121.25
5,000	Inter. Great Northern R. R. Co. 1, 6% "A", July 1, 1952.....	5,262.50
10,000	Public Service Co. of N. J. 5½% Bonds, 1956.....	9,937.50
10,000	Compania Cubana 6% Notes "C", 1929.....	9,975.00
10,000	St. Louis & San Fran. Ry. 5½%, 1942 P. L. "D".....	10,187.50
20,000	Wabash R. R. Co. 5%, 1976.....	19,325.00
		<u>\$302,378.00</u>

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ANNUAL REPORT OF THE PRESIDENT

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COMPARATIVE STATEMENT  
AMERICAN SURETY COMPANY OF NEW YORK

RESOURCES AND LIABILITIES

RESOURCES

	1926	1925	Increase (I) or Decrease (D)
Real Estate.....	\$8,739,224.99	\$8,855,724.99	\$ 116,500.00(D)
Securities at Market Value:			
Stocks.....	1,187,550.00	935,950.00	251,600.00 (I)
U. S. Bonds.....	4,095,223.44	4,051,212.54	44,010.90 (I)
Other Bonds.....	3,572,505.25	2,588,588.75	983,916.50 (I)
Cash in Banks and Offices.....	1,098,489.27	764,777.22	333,712.05 (I)
Premiums in Course of Collection.....	2,024,147.89	1,812,561.61	211,586.28 (I)
Accrued Interest and Rents.....	92,341.04	98,030.32	5,689.28(D)
Reinsurance and other Accounts Receivable.....	135,260.17	120,335.89	14,924.28 (I)
Funds held by Surety Pool-Motor Vehicle Bond- ing Companies.....	20,403.48	50,933.68	30,530.20(D)
	<hr/> \$20,965,145.53	<hr/> \$19,278,115.00	<hr/> \$1,687,030.53 (I)

LIABILITIES

Capital Stock.....	\$5,000,000.00	\$5,000,000.00	
Surplus and Undivided Profits.....	3,791,973.56	3,025,378.79	766,594.77 (I)
Reserve for Unearned Premiums.....	6,477,530.38	6,145,841.87	331,688.51 (I)
Reserve for Contingent Claims.....	4,027,800.77	3,734,209.31	293,591.46 (I)
Reserve for Expenses and Taxes.....	900,064.29	703,982.24	196,082.05 (I)
Reserve against Outstanding Premiums.....	604,439.61	546,061.12	58,378.49 (I)
Reinsurance and other Accounts Payable.....	163,336.92	122,641.67	40,695.25 (I)
	<hr/> \$20,965,145.53	<hr/> \$19,278,115.00	<hr/> \$1,687,030.53 (I)

### *General Information*

On the last day of 1926 there remained in force bonds carrying a liability of \$2,124,186,048.

There were presented to us during 1926:

4745 Fidelity Claims  
366 Official Claims  
792 Court, Contract and Depository Claims  
660 Burglary Insurance Claims  
273 Forgery Claims

Making a total of 6836.

An increase of 313 as compared with 1925.

There was recovered by us \$1,452,865.91 in cash, against claim payments of \$3,783,568.63.

Ratio of Surety Claims paid to Net Premiums—

Year 1926 ..... 24.32

Ratio of Surety Claims paid to Net Premiums—

Entire period ..... 25.04

Ratio of Burglary Claims paid to Net Premiums—

Year 1926 ..... 32.92

Ratio of Burglary Claims paid to Net Premiums—

Entire period ..... 33.61

We are represented in this country by 41 Branch Office Managers, and 15,128 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of ..... \$118,287,508.44

Its Net Paid Losses were ..... 30,102,330.87

And its Expenses ..... 68,504,884.70

Leaving an excess from underwriting, subject to

Reserves, of ..... 19,680,292.87

or ..... 16.64%

Our Stockholders have received in Cash Dividends ..... \$ 14,737,500.00



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ANNUAL REPORT OF THE PRESIDENT

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The Reserve for Outstanding Premiums of \$604,439.61 is a voluntary provision for items which are due for more than ninety days and which are disallowed as an asset. There is a very substantial equity in this reserve.

The Claim Reserve of \$4,027,800.77 is considered ample for the discharge of the Company's liability in all cases of default that have been reported under its bonds, and includes a special reserve in the sum of \$1,000,000 to cover the Company's estimated liability on unreported losses. The provision for this special reserve is in accordance with a ruling of the Insurance Department.

The Reserve for Expenses and Taxes of \$900,064.29 is more than sufficient to meet all items in transit between Branch Offices and the Home Office; all taxes, other than realty, that may be levied during the year,—Federal, State and local; all commissions and brokerage on premiums in course of collection; and all expenses, other than salaries of permanent employees, in connection with pending claims.

The cash salvage collections for the year of \$1,452,865.91 amounted to 38% of \$3,827,160.09 losses incurred. Salvage property, a substantial amount of which is always on hand, is never treated as a profit nor carried as an asset until reduced to cash.

The year's investment income of \$1,081,798.64, subject only to a deduction of \$100,000 for depreciation of the Company's building, exceeded by \$181,798.64 the total dividend payments of \$900,000 for the year. The income from this source tends to increase as the result of undivided profits and reserves left in the business from year to year.

The real estate item of \$8,739,224.98 represents the cost of the Company's unencumbered Home Office building, less depreciation at the rate of \$100,000 per annum. The Company occupies five stories of this building, for the use of which space it charges itself at the market rental rate. Practically all of the remaining space is advantageously rented.

The total value of the Company's assets December 31, 1926, was \$20,965,145.53, compared with \$19,278,115.00 at the end of the preceding year. The increase of \$1,687,030.53 represents chiefly the investment of reserves and undivided profits which were left in the business from the year's operations after the payment of \$900,000 in dividends.



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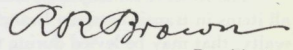
AMERICAN SURETY COMPANY OF NEW YORK

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The hundred thousand shares (par value \$50 each) of the Company's capital stock are held by 1,418 persons, being an average holding of seventy shares of the par value of \$3,500.

The wise counsel and enduring support of this Board and of its Committees, the lively interest of an increasing number of stockholders who influence business to the Company, and the splendid work of our faithful and highly efficient Home Office and Field forces are reflected in the continued progress and sound condition of the Company; for all of which I am very grateful.

Respectfully submitted,

  
President.

REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1927



## BOARD OF TRUSTEES

CHARLES H. ALLEN

JOHN ANDERSON

EDWIN L. BLABON

JOHN E. BOUDEN, JR.

A. J. BROSSÉAU

R. R. BROWN

NEWCOMB CARLTON

CLARENCE E. CHAPMAN

DELOS W. COOKE

T. JEFFERSON COOLIDGE

RICHARD DELAFIELD

PHILIP T. DODGE

C. G. DU BOIS

W. N. DYKMAN

WALTER E. FREW

W. S. GIFFORD

ARCHIBALD R. GRAUSTEIN

J. HORACE HARDING

F. COIT JOHNSON

WALTER KASTEN

F. M. KIRBY

F. W. LAFRENTZ

A. F. LAFRENTZ

EDWARD E. LOOMIS

L. F. LOREE

THOS. N. McCARTER

RICHARD B. MELLON

JEREMIAH MILBANK

JOHN M. MILLER, JR.

ANDREW MILLS

J. R. MORRISON

SEWARD PROSSER

JOHN J. RASKOB

LINDSAY RUSSELL

CHARLES M. SCHWAB

JOHN SHERWIN

WILLIAM SKINNER

FREDERICK P. SMALL

R. A. C. SMITH

VALENTINE P. SNYDER

JOSEPH B. TERBELL

ARTHUR W. THOMPSON

LANDON K. THORNE

L. A. WATRES

F. EDSON WHITE

WM. F. WHITING

ALBERT H. WIGGIN

BENJAMIN L. WINCHELL

BRONSON WINTHROP





January 17, 1928.

TO THE BOARD OF TRUSTEES:

The results of the operations of our Company for the year ended December 31, 1927 (being the forty-fourth year of its operations), are given below. Comparisons are with the preceding year.

INCOME:

From Premiums . . . . .	\$9,576,805.90	(Increase \$319,621.67)
From Dividends, Interest and Rents, less operating cost . . . . .	<u>1,200,990.71</u>	(Increase \$119,192.07)
INCOME . . . . .		\$10,777,796.61

OUTGO:

For Expenses . . . . .	\$5,453,345.53	(Increase \$296,242.23)
For Taxes . . . . .	439,526.56	(Increase \$113,428.47)
For Gross Losses . . . \$3,655,184.81		(Decrease \$171,975.28)
Less Cash Salvage of <u>1,169,518.02</u>		(Decrease \$283,347.89)
Net Losses . . . . .	<u>2,485,666.79</u>	(Increase \$111,372.61)

OUTGO . . . . . \$8,378,538.88

EXCESS OF INCOME OVER OUTGO . . . . . \$2,399,257.73

Add decrease in Reserve for Overdue Premiums . . . . . 90,812.68

Add Profit on Securities Sold . . . . . \$ 338,811.46

Add Appreciation on Securities Unsold . . . . . 250,366.74

\$ 589,178.20

Deduct Appreciation taken prior to Jan. 1,  
1927, on securities sold during this period. 288,448.37

300,729.83

\$2,790,800.24

Transferred to:

Reserve for Unearned Premiums . . . . .	\$ 183,854.14
Reserve for Refunds . . . . .	43,201.98
Reserve for Expenses and Taxes . . . . .	155,121.84
Reserve for Depreciation of Building . . . . .	<u>100,000.00</u>

482,177.96

BALANCE FOR FINAL DISPOSITION . . . . . \$2,308,622.28

Dividends Paid . . . . . 1,100,000.00

ADDED TO SURPLUS . . . . . \$1,208,622.28

COMPARATIVE STATEMENT  
AMERICAN SURETY COMPANY OF NEW YORK  
RESOURCES AND LIABILITIES

RESOURCES

	1927	1926	Increase (I) or Decrease (D)
Real Estate.....	\$ 8,639,224.99	\$ 8,739,224.99	\$ 100,000.00 (D)
*Securities at Market Value:			
Stocks.....	2,112,715.00	1,187,550.00	925,165.00 (I)
U. S. Government Bonds.	4,007,532.82	4,095,223.44	87,690.62 (D)
Other Bonds.....	4,411,999.38	3,572,505.25	839,494.13 (I)
Premiums in Course of Collection.....	2,020,794.21	2,024,147.89	3,353.68 (D)
Cash in Banks and Offices	856,513.69	1,098,489.27	241,975.58 (D)
Reinsurance and other Ac- counts Receivable.....	103,220.23	155,663.65	52,443.42 (D)
Interest and Rents Receivable.....	108,235.28	92,341.04	15,894.24 (I)
	<u>\$22,260,235.60</u>	<u>\$20,965,145.53</u>	<u>\$1,295,090.07 (I)</u>

LIABILITIES

Capital Stock.....	\$ 5,000,000.00	\$ 5,000,000.00	\$
Surplus and Undivided Profits.....	5,000,595.84	3,791,973.56	1,208,622.28 (I)
Reserve for Unearned Premiums.....	6,661,384.52	6,477,530.38	183,854.14 (I)
Reserve for Contingent Claims.....	3,841,803.38	4,027,800.77	185,997.39 (D)
Reserve against Outstand- ing Premiums.....	513,626.93	604,439.61	90,812.68 (D)
Reserve for Expenses and Taxes.....	1,055,186.13	900,064.29	155,121.84 (I)
Reinsurance and other Ac- counts Payable.....	187,638.80	163,336.92	24,301.88 (I)
	<u>\$22,260,235.60</u>	<u>\$20,965,145.53</u>	<u>\$1,295,090.07 (I)</u>

\*Except stocks of subsidiary companies, which are carried at par.

# AMERICAN SURETY COMPANY OF NEW YORK

*Financial Statement December 31, 1927*

## RESOURCES

Real Estate . . . . . \$ 8,639,224.99

### \*Securities at Market Value:

U. S. Government Bonds . . . . . \$4,007,532.82

All other Bonds . . . . . 4,411,999.38

Stocks . . . . . 2,112,715.00

10,532,247.20

Premiums in Course of Collection . . . . . 2,020,794.21

Cash in Banks and Offices . . . . . 856,513.69

Reinsurance and other Accounts Receivable . . . . . 103,220.23

Interest and Rents Receivable . . . . . 108,235.28

\$22,260,235.60

## LIABILITIES

Capital Stock . . . . . \$ 5,000,000.00

Surplus and Undivided Profits . . . . . 5,000,595.84

Reserve for Unearned Premiums . . . . . 6,661,384.52

Reserve for Contingent Claims . . . . . 3,841,803.38

Reserve for Outstanding Premiums . . . . . 513,626.93

Reserve for Expenses and Taxes . . . . . 1,055,186.13

Reinsurance and other Accounts Payable . . . . . 187,638.80

\$22,260,235.60

\*Except stocks of subsidiary companies, which are carried at par.



The Financial Statement shows that the total value of the Company's assets December 31, 1927, was \$22,260,235.60 compared with \$20,965,145.53 at the end of the preceding year. The increase of \$1,295,090.07 represents chiefly the investment of reserves and undivided profits which were left in the business from the year's operations after the payment of \$1,100,000 in dividends.

The real estate item of \$8,639,224.99 represents the cost of the Company's unencumbered Home Office building at 100 Broadway, New York City, less depreciation now being written off at the rate of \$100,000 per annum. The Company occupies five stories of this building, for the use of which space it charges itself at the market rental rate. Practically all of the remaining space is advantageously rented.

The securities item of \$10,532,247.20 represents investments of the Company at their market value except the stocks of subsidiary companies, which are carried at par.

Against the items of Premiums in Course of Collection amounting to \$2,020,794.21 a Reserve of \$513,626.93 is carried in liabilities for items which are due for more than ninety days and which are disallowed as an asset. There is a very substantial equity in this reserve.

The Claim Reserve of \$3,841,803.38 is considered ample for the discharge of the Company's liability in all cases of default that have been reported under its bonds, and includes a special reserve in the sum of \$1,000,000.00 to cover the Company's estimated liability on unreported losses. The provision for this special reserve is in accordance with a ruling of the New York Insurance Department.

The Reserve for Expenses and Taxes of \$1,055,186.13 is considered sufficient to meet all items in transit between Branch Offices and the Home Office all Federal, State and local taxes, other than realty, that may be levied during the year; all commissions and brokerage on premiums in course of collection; and all expenses, other than salaries of permanent employees, in connection with pending claims.

The Reserve for Unearned Premiums of \$6,661,384.52 represents, as its name implies, the unearned premiums on bonds in force.

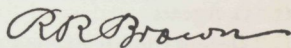
The cash salvage collections for the year of \$1,169,518.02 amounted to 32% of \$3,655,184.81 losses incurred. The Company has continued its policy of not treating salvage as a profit nor carrying it as an asset until it is converted into cash.

The year's investment income of \$1,200,990.71 subject only to a deduction of \$100,000.00 for depreciation of the Company's building, exceeded by \$100,990.71 the total dividend payments of \$1,100,000.00 for the year.

The hundred thousand shares (par value \$50 each) of the Company's capital stock are held by 1504 persons, being an average holding per person of 66 shares of the par value of \$3,300.00. It is gratifying to note that the number of stockholders who influence business to the Company continues to increase.

I appreciate the continued aid and sound advice of the members of this Board, and of its Committees; and unreservedly commend to them the excellent work of the Company's able, energetic and zealous officers, employees, agents and attorneys, without whose coordinated activities the gratifying results of the year's operations as shown in this report could not have been achieved.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "R. R. Brown". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

President.



## GENERAL INFORMATION

On the last day of 1927 there remained in force bonds carrying a liability of \$2,303,401,497.

There were presented to us during 1927:

5978 Fidelity Claims
419 Official Claims
997 Court, Contract and Depository Claims
754 Burglary Insurance Claims
276 Forgery Claims
22 Plate Glass Claims

Making a total of 8446. [An increase of 1610 as compared with 1926].

Ratio of Surety Claims paid to Net Premiums—

Year 1927..... 27.37

Ratio of Surety Claims paid to Net Premiums—

Entire period..... 25.20

Ratio of Burglary Claims paid to Net Premiums—

Year 1927..... 32.93

Ratio of Burglary Claims paid to Net Premiums—

Entire period..... 33.51

\*Ratio of Plate Glass Claims paid to Net Premiums—

Year 1927..... 1.81

We are represented in this country by 41 Branch Office Managers, and 15,252 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of..... \$127,864,314.34

Its Net Paid Losses were..... 32,773,995.05

And its Expenses..... 74,397,756.79

Leaving an excess from underwriting, subject to

Reserves, of..... 20,692,562.50

or..... 16.18%

Our Stockholders have received in Cash Dividends..... \$ 15,837,500.00

\*Commenced business June, 1927.

AMERICAN SURETY COMPANY OF NEW YORK

AMSUCO SECURITIES COMPANY

THE CANADIAN SURETY COMPANY

COMPANIA MEXICANA DE GARANTIAS S. A.

*Consolidated Financial Statement December 31, 1927*

RESOURCES

Real Estate.....	\$ 8,652,828.61
Securities—Stocks and Bonds.....	11,093,280.68
Premiums in Course of Collection.....	2,106,167.68
Cash.....	1,022,389.27
Notes Receivable and Mortgage Loans.....	304,081.23
Reinsurance and other Accounts Receivable.....	105,084.38
Interest and Rents Receivable.....	121,658.29
	<hr/>
	\$23,405,490.14

LIABILITIES

Capital Stock.....	\$ 5,000,000.00
Surplus and Undivided Profits.....	5,489,797.47
*Minority Interest in Subsidiary Companies.....	55,895.25
Reserve for Unearned Premiums.....	6,988,401.02
Reserve for Contingent Claims.....	4,007,191.19
Reserve for Outstanding Premiums.....	532,802.32
Reserve for Expenses and Taxes.....	1,075,118.03
Special Reserve.....	30,000.00
Reinsurance and other Accounts Payable.....	226,284.86
	<hr/>
	\$23,405,490.14

\*Minority Interest in Subsidiary Companies consists of:  
 280 Shares Canadian Surety Company Stock  
 55 Shares Compania Mexicana de Garantias, S. A.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$411,379.84	(Increase \$53,042.00)
From Interest.....	38,086.65	(Increase \$ 3,529.36)
INCOME.....	<u>449,466.49</u>	
OUTGO:		
For Expenses.....	\$227,145.90	(Increase \$16,238.30)
For Taxes.....	11,786.38	(Increase \$ 2,246.55)
For Gross Losses.....	\$152,464.65	(Increase \$34,272.87)
Less Cash Salvage of.....	<u>30,208.55</u>	(Increase \$ 6,601.38)
Net Losses.....	<u>122,256.10</u>	(Increase \$27,671.49)
OUTGO.....	<u>361,188.38</u>	
EXCESS OF INCOME OVER OUTGO .....		\$ 88,278.11
Add increase in value of Securities Unsold.....		<u>18,093.76</u>
		\$106,371.87
Transferred to		
Reserve for Unearned Premiums.....	\$18,328.54	
Reserve for Expenses and Taxes.....	4,331.53	
Reserve for Outstanding Premiums.....	<u>6,281.28</u>	
		<u>28,941.35</u>
BALANCE FOR FINAL DISPOSITION.....		\$ 77,430.52
Dividends Paid.....		<u>27,000.00</u>
ADDED TO SURPLUS.....		\$ 50,430.52

## THE CANADIAN SURETY COMPANY

*Financial Statement, December 31, 1927*

### RESOURCES

Bonds and Debentures at Market Value. . . . .	\$776,640.91
Premiums in course of collection. . . . .	64,876.87
Cash in Banks and Offices . . . . .	50,130.43
Reinsurance Receivable. . . . .	1,864.15
Interest Receivable. . . . .	10,340.33
	<hr/>
	\$903,852.69

### LIABILITIES

Capital Stock. . . . .	\$300,000.00
Surplus and Undivided Profits. . . . .	251,997.17
Reserve for Unearned Premiums. . . . .	183,024.79
Reserve for Contingent Claims. . . . .	81,624.99
Reserve for Outstanding Premiums. . . . .	19,175.39
Reserve for Expenses and Taxes . . . . .	19,931.90
Voluntary Special Reserve. . . . .	30,000.00
Reinsurance Payable. . . . .	18,098.45
	<hr/>
	\$903,852.69

NOTE: American Surety Company of New York owns 2595 of the 3000 shares of capital stock of this Company, and carries the same at par.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

INCOME:		Comparison with Preceding Year
From Premiums.....	\$268,520.92	(Increase \$26,131.43)
From Interest and Dividends.....	41,380.77	(Increase \$14,475.58)
	<hr/>	
INCOME.....	\$309,901.69	

#### OUTGO:

For Expenses and Taxes.....	\$ 99,348.82	(Increase \$13,454.75)
For Gross Losses.....	\$141,676.09	(Increase \$ 9,576.21)
Less Cash Salvage of.....	25,995.66	(Increase \$17,021.16)
	<hr/>	
Net Losses.....	115,680.43	(Decrease \$ 7,444.95)
OUTGO.....	\$215,029.25	

Excess of Income over Outgo..... \$94,872.44

Deduct decrease in value of Securities Unsold.....	\$ 23,274.50	
Less Profit on Securities Sold.....	1,326.57	
	<hr/>	
		21,947.93
		<hr/>
		\$72,924.51

#### Transferred to

Reserve for Unearned Premiums.....	\$ 23,673.53	
Legal Fund Provision.....	10,000.00	
	<hr/>	
		33,673.53
		<hr/>
BALANCE FOR FINAL DISPOSITION.....		\$39,250.98
Dividends Paid.....		30,000.00
		<hr/>
ADDED TO SURPLUS.....		\$ 9,250.98

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States.)



COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

*Financial Statement December 31, 1927*

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States)

RESOURCES

Real Estate . . . . .	\$ 13,603.62
Stocks and Bonds . . . . .	321,395.07
Premiums in Course of Collection . . . . .	20,496.60
Cash in Banks and Office . . . . .	63,639.70
Cash Deposits under Law . . . . .	50,750.00
Mortgages, Reinsurances and Accounts Receivable . . . . .	170,081.23
Interest Receivable . . . . .	3,082.68
	<hr/>
	\$643,048.90

LIABILITIES

Capital Stock . . . . .	\$250,000.00
Surplus and Undivided Profits . . . . .	147,746.76
Reserve for Unearned Premiums . . . . .	143,991.71
Reserve for Contingent Claims . . . . .	83,762.82
Reinsurance and other Accounts Payable . . . . .	17,547.61
	<hr/>
	\$643,048.90

NOTE: American Surety Company of New York owns 4945 of the 5000 shares of capital stock of this Company, and carries the same at par.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

Interest—Tompkins-Kiel Marble Company . . . . .	\$7,425.00	
On other Investments . . . . .	8,099.03	
Dividends from Stocks . . . . .	4,000.00	
Profit on Sale of Securities . . . . .	432.50	
	<u>          </u>	\$19,956.53

OUTGO:

Commission . . . . .	60.00	
Revenue Stamps . . . . .	3.20	
Federal Income Tax . . . . .	1,202.99	
Exchange . . . . .	1.92	
	<u>          </u>	1,268.11
BALANCE . . . . .		\$18,688.42
Dividends Paid . . . . .		<u>10,000.00</u>
ADDED TO SURPLUS . . . . .		\$ 8,688.42

# AMSUCO SECURITIES COMPANY

Financial Statement December 31, 1927

## Securities—

## RESOURCES

### BONDS:

\$20,000	Public Service Corporation of N. J. Secured 5½% due July 1, 1956.....	\$ 19,825.00	
10,000	Brooklyn-Manhattan Transit Corporation 6% "A" due July 1, 1968 .....	9,650.00	
42,000	Central Leather Company 6% S. F. due Jan. 1, 1945.....	40,057.50	
15,000	St. Louis-San Francisco Railway Company P. L. 5½% "D" due Jan. 1, 1942 .....	15,075.00	
10,000	Wabash R. R. Company 5½% due Mar. 1, 1975.....	9,825.00	
20,000	Wabash R. R. Company 5% "B" Refunding & General due Aug. 1, 1976. ....	19,500.00	
5,000	Texas & Pacific Railway Company Refunding & General 5% "B" due Apr. 1, 1977.....	4,975.00	
10,000	Missouri Pacific R. R. Company First & Refunding 5% "F" due Mar. 1977 ..	9,875.00	
			\$128,782.50
9 Shares	Title Guaranty and Surety Company	90.00	
500 Shares	Lehigh Valley Coal Sales Company..	40,875.00	
			40,965.00

Cash in Bank and Office.....	1,355.45
Bills and Accounts Receivable and Mortgage Loans	
Loans Secured by Collateral.....	\$ 19,000.00
Purchase Money Mortgage Tompkins-Kiel Marble Company.....	130,000.00
	<u>149,000.00</u>
	\$320,102.95

## LIABILITIES

Capital Stock.....	\$200,000.00
Surplus.....	117,102.95
Accounts Payable.....	<u>3,000.00</u>
	\$320,102.95

NOTE: American Surety Company of New York owns all of the capital stock of this Company, and carries the same at par.

[ page fifteen ]

## SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

### STOCKS

500 Shares American Ice Company Pfd. . . . .	\$ 45,125.00
5000 Shares Amsuco Securities Company. . . . .	200,000.00
1000 Shares Atchison, Topeka & Santa Fe R. R. Co. Non-Cumulative Pfd. . . . .	103,000.00
1000 Shares Baltimore & Ohio R. R. Pfd. . . . .	82,125.00
720 Shares Chase National Bank and Chase Securities Corp. of New York . . . . .	393,840.00
4945 Shares Compania Mexicana de Garantias S. A. . . . .	247,250.00
2000 Shares Consolidated Gas Company of New York Pfd. . . . .	203,000.00
1000 Shares International Paper Company Cumulative Pfd. . . . .	107,125.00
1000 Shares N. Y., N. H., & H. R. R. Co. Cumulative Pfd. . . . .	113,500.00
4000 Shares Pennsylvania R. R. Company. . . . .	258,000.00
1000 Shares Southern Railway Company Pfd. . . . .	100,250.00
2595 Shares The Canadian Surety Company. . . . .	259,500.00
	<hr/>
	\$2,112,715.00

### U. S. GOVERNMENT BONDS

\$ 300,000 U. S. of America 3rd Liberty Loan 4¼% due Sept. 15, 1928. . . . .	\$ 302,062.50
710,000 U. S. of America 4th Liberty Loan 4¼% (Registered) due Oct. 15, 1938. . . . .	737,068.75
90,000 U. S. of America 4th Liberty Loan 4¼% (Coupon) due Oct. 15, 1938. . . . .	93,515.63
500,000 U. S. of America 3% Certificates of Indebtedness due Mar. 15, 1928	499,375.00
250,000 U. S. of America 4¼% Treasury Bonds due Oct. 15, 1952. . . . .	289,531.25
200,000 U. S. of America 4% Treasury Notes due Dec. 15, 1954. . . . .	221,500.00
1,665,000 U. S. of America 3½% Treasury Notes Series "A" due Mar. 15, 1932	1,664,479.69
200,000 U. S. of America 3½% Treasury Notes Series "B" due Sept. 15, 1932	200,000.00
	<hr/>
	\$4,007,532.82



## RAILROAD BONDS

\$ 50,000	Atlantic Coast Line R. R. Convertible Gold Debenture Registered 4% due Nov. 1, 1939.	\$ 46,500.00
10,000	Atlantic Coast Line R. R. 4½% Equipment Trust Gold Certificates Series "E" due Feb. 1, 1928.	10,000.00
20,000	Atlantic Coast Line R. R. 4½% Equipment Trust Gold Certificates Series "E" due Feb. 1, 1929.	20,025.00
20,000	Atlantic Coast Line R. R. 4½% Equipment Trust Gold Certificates Series "E" due Feb. 1, 1930.	20,075.00
25,000	Baltimore & Ohio R. R. Co. 4½% Equipment Trust Gold Certificates Series "B" due May 1, 1930.	25,093.75
50,000	Baltimore & Ohio R. R. Co. Refunding & General Mortgage Gold Series "D" 5% due Mar. 1, 2000.	52,500.00
25,000	Canadian Nat'l Rys. 4½% Equipment Certificates Series "H" due July 1, 1928.	25,031.25
100,000	Canadian Nat'l Ry. 5 Year Guaranteed Gold 4½% due Feb. 15, 1930.	100,375.00
100,000	Canadian Nat'l Ry. 30 Year Guaranteed Gold 4½% due July 1, 1957.	100,625.00
100,000	Canadian Northern Ry. 10 Year Guaranteed Gold 4½% due Feb. 15, 1935.	100,000.00
100,000	Canadian Northern Ry. (Winnipeg Terminals) Gold 4% due July 1, 1939.	91,000.00
50,000	Chesapeake & Ohio Ry. Co. 20 Year Convertible Gold 4½% due Feb. 1, 1930.	50,125.00
10,000	Chesapeake & Ohio Ry. Co. 5% Equipment Trust Gold Certificates Series "V" due July 1, 1928.	10,025.00
10,000	Chesapeake & Ohio Ry. Co. 5% Equipment Trust Gold Certificates Series "V" due July 1, 1929.	10,087.50
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Refunding Gold 4% due Apr. 1, 1934.	47,875.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 5 Year 5% Secured Gold Notes due July 1, 1929.	50,250.00
100,000	Chicago, St. Paul, Minneapolis & Omaha Ry. Debenture Gold 5% due Mar. 1, 1930.	100,000.00
50,000	Chicago Union Station 1st Mortgage Gold Series "B" 5% due July 1, 1963.	52,000.00
100,000	Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Ref. and Imp. Mtge., Gold Series "A" 6% due July 1, 1929.	102,750.00
50,000	Cleveland Union Terminals Co. First Mortgage Sinking Fund Gold Series "A" 5½% due Apr. 1, 1972.	54,937.50
50,000	Eric R. R. Company First Consolidated General Lien Gold 4% due Jan. 1, 1996.	42,750.00



## RAILROAD BONDS—Continued

\$ 25,000	Erie & Jersey R. R. Company First Sinking Fund Gold 6% due July 1, 1955.....	\$ 28,531.25
25,000	General American Tank Car Corp. 4½% Equipment Trust Series 17 due Oct. 1, 1930.....	24,937.50
25,000	General American Tank Car Corp. 4½% Equipment Trust Series 19 due Aug. 1, 1932.....	24,750.00
25,000	General American Tank Car Corp. 4½% Equipment Trust Series 19 due Aug. 1, 1933.....	24,687.50
25,000	General American Tank Car Corp. 4½% Equipment Trust Series 19 due Aug. 1, 1934.....	24,593.75
25,000	General American Tank Car Corp. 4½% Equipment Trust Series 19 due Aug. 1, 1935.....	24,531.25
50,000	Great Northern Ry. Co. General Mortgage Gold Series "A" 7% due July 1, 1936.....	57,625.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Gold Bonds Coupon 5% due Apr. 1, 1950.....	25,562.50
100,000	Missouri Pacific R. R. 1st & Refunding Mortgage Gold Series "F" 5% due Mar. 1, 1977.....	204,250.00
12,000	New York Central Lines 4½% Equipment Trust Certificates due Sept. 15, 1928.....	12,015.00
12,000	New York Central Lines 4½% Equipment Trust Certificates due Sept. 15, 1929.....	12,030.00
14,000	New York Central Lines 5% Equipment Trust Certificates of 1924 due June 1, 1928.....	14,035.00
14,000	New York Central Lines 5% Equipment Trust Certificates of 1924 due June 1, 1929.....	14,122.50
50,000	Pennsylvania R. R. Company 40 Year Secured Gold 5% due Nov. 1, 1964.....	52,625.00
50,000	St. Louis-San Francisco Ry. Company Prior Lien Mortgage Gold Series "D" 5½% due Jan. 1, 1942.....	51,562.50
25,000	St. Louis Southwestern Ry. Company 1st Consolidated Mortgage Gold 4% due June 1, 1932.....	24,625.00
15,000	Southern Pacific Company 4½% Equipment Trust Gold Certificates Series "H" due June 1, 1929.....	15,037.50
10,000	Southern Pacific Company 4½% Equipment Trust Gold Certificates Series "H" due June 1, 1930.....	10,025.00
50,000	Southern Pacific Company 20 Year Convertible Gold 4% due June 1, 1929.....	49,750.00
50,000	Southern Ry. Company Development & General Mortgage Gold Series "A" 4% due Apr. 1, 1956.....	46,000.00

## RAILROAD BONDS—Continued

\$ 25,000	Texarkana & Ft. Smith Ry. Company 1st Mortgage Guaranteed Gold Series "A" 5½% due Aug. 1, 1950.....	\$ 26,625.00
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1928.....	5,003.13
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1929.....	4,993.75
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1930.....	4,981.25
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1931.....	4,975.00
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1932.....	4,962.50
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1933.....	4,962.50
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1934.....	4,950.00
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1935.....	4,943.75
5,000	Union Tank Car Company 4½% Equipment Trust Gold Certificates due Oct. 1, 1936.....	4,937.50
50,000	Wabash R. R. Company 2nd Mortgage 5% due Feb. 1, 1939.....	52,375.00
50,000	Wabash Ry. Refunding & General Mortgage Gold Series "B" 5% due Aug. 1, 1976.....	51,625.00
		<hr/>
		\$2,028,655.63

# INDUSTRIAL BONDS

\$ 50,000	Allis Chalmers Manufacturing Company 10 Year Gold Debenture 5% due May 1, 1937. ....	\$ 50,375.00
65,000	American Sugar Refining Company 15 Year Gold 6% due Jan. 1, 1937	68,575.00
100,000	Armour & Company of Delaware 1st Mortgage Guaranteed Gold Series "A" 5½% due Jan. 1, 1943. ....	87,375.00
50,000	Chicago Pneumatic Tool Company 15 Year S. F. Gold Debenture 5½% due Oct. 1, 1942. ....	49,250.00
25,000	General Motors Acceptance Corp. 5% Gold Notes Series "C" due Mar. 1, 1929. ....	25,062.50
15,000	General Motors Acceptance Corp. 5% Gold Notes Series "D" due Mar. 1, 1930. ....	15,000.00
10,000	General Motors Acceptance Corp. 5% Gold Notes Series "E" due Mar. 1, 1931. ....	9,975.00
25,000	General Motors Acceptance Corp. 5% Gold Notes Series "H" due Mar. 1, 1934. ....	24,250.00
25,000	General Motors Acceptance Corp. 5% Gold Notes Series "I" due Mar. 1, 1935. ....	24,125.00
50,000	Inspiration Consolidated Copper Co. 5 Year Gold Notes 6½% due Mar. 1, 1931. ....	50,500.00
10,000	R. H. Macy & Company, Inc. 5¼% Gold Debenture Series 2 due Oct. 1, 1928. ....	10,037.50
10,000	R. H. Macy & Company, Inc. 5¼% Gold Debenture Series 3 due Oct. 1, 1929. ....	10,050.00
10,000	R. H. Macy & Company, Inc. 5¼% Gold Debenture Series 4 due Oct. 1, 1930. ....	10,100.00
10,000	R. H. Macy & Company, Inc. 5¼% Gold Debenture Series 5 due Oct. 1, 1931. ....	10,100.00
100,000	Westinghouse Electric & Mfg. Company 20 Year Gold 5% due Sept. 1, 1946. ....	104,125.00
100,000	Youngstown Sheet & Tube Company 1st Mortgage S. F. Gold Series "A" 5% due Jan. 1, 1978. ....	101,000.00
		<hr/>
		\$ 649,900.00



## STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS

\$ 50,000	City of Montreal (Maisonneuve) 5½% due May 1, 1930.....	\$ 50,750.00
500,000	City of New York Gold Exempt Corporate Stock Registered 4% due May 1, 1977.....	510,000.00
25,000	City of Toronto Consolidated Loan Debenture 5% due Oct. 1, 1930..	25,062.50
20,000	City of Winnipeg, Dominion of Canada Consolidated Debenture 5% due Jan. 2, 1943.....	20,600.00
50,000	Dominion of Canada 10 Year Gold Bonds 4½% due Feb. 1, 1936....	50,500.00
50,000	Dominion of Canada (Province of Ontario) Debenture 4½% due Dec. 1, 1929.....	50,125.00
50,000	N. Y. State Canal Improvement Registered 3% due July 1, 1958.....	49,500.00
10,000	Porto Rico Gold Loan of 1915 Registered 4% due Jan. 1, 1956.....	9,950.00
		<hr/>
		\$ 766,487.50

## PUBLIC UTILITY BONDS

50,000	American Telephone & Telegraph Company 35 Year S. F. Gold Debenture 5% due Jan. 1, 1960.....	53,000.00
125,000	Brooklyn Manhattan Transit Company Rapid Transit Security Sinking Fund Gold, Series "A" Coupon 6% due July 1, 1968.....	120,781.25
100,000	Consolidated Gas Company of New York Debenture Gold 5½% due Feb. 1, 1945.....	106,000.00
50,000	Duquesne Light Company 1st Mortgage Gold Series "A" 4½% due Apr. 1, 1967.....	50,125.00
100,000	Edison Electric Illuminating Company of Boston 3 Year 4½% Coupon Gold Notes due Jan. 15, 1928.....	100,000.00
50,000	General Cable Corp. 1st Mortgage S. F. Gold Series "A" 5½% due July 1, 1947.....	49,875.00
25,000	Milwaukee Gas Light Company 1st Mortgage Gold 4½% due Mar. 1, 1967.....	25,125.00
100,000	New York Edison Company 1st Lien & Refunding Mortgage Series "B" 5% due Oct. 1, 1944.....	104,875.00
100,000	New York Gas & Electric Light, Heat & Power Company 1st Mortgage Gold 5% due Dec. 1, 1948.....	109,625.00
35,000	New York Telephone Company 30 Year Sinking Fund Gold Debenture 6% due Feb. 1, 1949.....	38,675.00
100,000	Public Service Corp. of N. J. Secured Gold 5½% due July 1, 1956 ...	104,500.00
100,000	Western Union Telegraph Company 25 Year Gold 5% due Dec. 1, 1951	104,375.00
		<hr/>
		\$ 966,956.25

GRAND TOTAL, AMERICAN SURETY COMPANY OF NEW YORK.....\$10,532,247.20

# BONDS AND DEBENTURES OWNED BY THE CANADIAN SURETY COMPANY

\$10,000.00	Province of New Brunswick 3% due 1939 .....	\$ 8,700.00
10,000.00	Government of Newfoundland 6½% due 1928 .....	10,100.00
15,000.00	Dominion of Canada War Loan 5½% due 1932 .....	15,600.00
45,000.00	Dominion War Loan 5½% due 1934 .....	47,250.00
5,000.00	Province of Quebec 4½% due 1946 .....	5,000.00
5,000.00	Province of New Brunswick 6% due 1930 .....	5,150.00
25,000.00	Hydro Electric Power Commission of Ontario Guaranteed by Province of Ontario 4% due 1957 .....	23,250.00
10,000.00	Province of Ontario 6% due 1935 .....	10,900.00
5,000.00	Province of Saskatchewan 6% due 1936 .....	5,500.00
10,000.00	Hydro Electric Power Commission of Ontario Guaranteed by Province of Ontario 6% due 1941 .....	11,400.00
7,000.00	Portage Industrial Exhibition Guaranteed by City of Portage La Prairie, Manitoba 5% due 1934 .....	6,860.00
1,000.00	City of Edmonton, Alberta 5% due 1933 .....	1,000.00
9,964.20	Windsor, Ontario 5½% due 1946-49 .....	10,960.62
4,014.75	City of Guelph, Ontario 5% due 1932 .....	4,095.05
5,000.00	City of Halifax, N. S. 5% due 1961 .....	5,250.00
9,733.33	City of Victoria, B. C. 4% due 1936 .....	9,246.66
10,000.00	City of Edmonton, Alberta 5½% due 1945 .....	10,600.00
14,600.00	City of Toronto, Ontario 4% due 1948 .....	13,870.00
2,000.00	City of Fort William, Ontario 4½% due 1952 .....	1,920.00
10,000.00	City of Belleville, Ontario 4½% due 1941 .....	9,900.00
3,000.00	City of Port Arthur, Ontario 5% due 1945 .....	3,030.00
5,700.00	City of Stratford, Ontario 4½% due 1932 .....	5,700.00
10,000.00	City of Brandon, Manitoba 5% due 1933 .....	10,000.00
15,000.00	City of Sydney, N. S. 4½% due 1942 .....	14,100.00
2,000.00	City of Three Rivers, Quebec 5½% due 1947 .....	2,180.00
15,000.00	City of Victoria, B. C. 5½% due 1941 .....	15,900.00
13,000.00	City of Toronto, Ontario 5% due 1953 .....	13,910.00
10,000.00	Toronto Harbour Commission Guaranteed by City of Toronto 4½% due 1953 .....	10,100.00
4,000.00	City of St. Catherines, Ontario 4% due 1935 .....	3,880.00
5,000.00	City of Galt, Ontario 5% due 1937 .....	5,150.00
5,000.00	City of Toronto, Ontario 6% due 1935 .....	5,450.00
1,703.33	City of Winnipeg, Manitoba, Reg. Stock 4½% due 1943-63 .....	1,720.36
6,000.00	City of Halifax, N. S. 6% due 1931 .....	6,240.00



# THE CANADIAN SURETY COMPANY—Continued

\$50,000.00	City of Toronto, Ontario 6% due 1945.....	\$58,000.00
5,000.00	City of Regina, Sask. 5½% due 1942.....	5,300.00
1,946.66	City of Hamilton, Ontario 4% due 1940.....	1,868.80
2,000.00	Town of Oshawa, Ontario 5½% due 1946.....	2,160.00
4,000.00	Town of Carleton Place, Ontario 5½% due 1952.....	4,440.00
2,717.24	Town of Oshawa, Ontario 6% due 1929-31.....	2,799.55
8,000.00	Town of North Bay, Ontario 5% due 1940-43.....	8,160.00
4,000.00	Town of North Bay, Ontario 5% due 1938-39.....	4,040.00
5,000.00	Town of Lindsay, Ontario 5½% due 1934.....	5,200.00
1,820.40	Town of Watrous, Sask. 5½% due 1927-56.....	1,638.36
6,693.58	Town of Sandwich, Ontario 5½% due 1940-42.....	7,095.19
2,464.54	Town of Smith Falls, Ontario 5½% due 1933-35.....	2,563.12
6,000.00	Town of Sandwich, Ontario 5½% due 1945.....	6,420.00
2,000.00	Town of Welland, Ontario 5½% due 1934.....	2,060.00
2,423.48	Town of Waterloo, Ontario 5¾% due 1928.....	2,423.48
1,877.23	Town of Renfrew, Ontario 5% due 1937-41.....	1,914.77
10,000.00	Town of Owen Sound, Ontario 4½% due 1932.....	10,000.00
5,000.00	Town of Swift Current, Sask. 6% due 1933.....	2,750.00
8,000.00	Town of Estevan, Sask. 5% due 1942-43.....	7,756.00
3,000.00	Town of Neepawa, Manitoba 6% due 1944.....	3,210.00
17,000.00	Town of Sorel, Quebec 5% due 1952.....	17,170.00
2,000.00	Township of Esquimalt, B. C. 5% due 1963.....	2,000.00
5,000.00	Greater Winnipeg Water District 6% due 1940.....	5,650.00
4,000.00	Township of York, Ontario 6% due 1931.....	4,480.00
7,000.00	District of North Vancouver, B. C. 5% due 1960.....	7,000.00
7,000.00	Township of Richmond, B. C. 4½% due 1959.....	6,510.00
900.00	Rural Municipality of St. Vital, Manitoba 6% due 1933.....	873.00
5,000.00	County of Norfolk, Ontario 5% due 1932.....	5,100.00
7,000.00	County of Lincoln, Ontario 5½% due 1942.....	7,700.00
10,346.29	City of St. Hyacinthe, Quebec Sch. 4½% due 1953-60.....	9,518.59
5,000.00	City of Toronto Roman Catholic Schools 5% due 1945.....	5,250.00
7,000.00	City of Montreal Protestant Schools 4½% due 1943.....	6,860.00
15,000.00	Canadian National Rys. Guaranteed by Dominion of Canada 5% due 1935.....	15,450.00
4,399.47	Toronto Power Company Guaranteed by Hydro Electric Power Commission and Province of Ontario 4½% due 1941.....	4,399.47
25,000.00	Toronto General Trusts Corporation 5½% due 1929.....	25,000.00
10,000.00	National Trust Company, Ltd. Toronto 5½% due 1929.....	10,000.00

# THE CANADIAN SURETY COMPANY—Continued

\$15,000.00	Canada Permanent Trust Company, Toronto 5½% due 1929.....	\$15,000.00
10,000.00	Canada Permanent Mortgage Corporation, Toronto 5½% due 1929...	10,000.00
5,000.00	Canada Permanent Trust Company, Toronto 5½% due 1930.....	5,000.00
20,000.00	Canada Permanent Trust Company, Toronto 5¼% due 1930.....	20,000.00
30,000.00	Huron & Erie Mortgage Corporation, London, Ontario 5% due 1930..	30,000.00
973.33	City of Calgary, Alberta 4½% due 1941.....	934.40
2,433.32	City of Calgary, Alberta 4½% due 1942.....	2,335.99
2,433.33	City of Calgary, Alberta 5% due 1943.....	2,457.65
10,000.00	Gatineau Power Company 5% due 1956.....	10,000.00
5,000.00	City of Oshawa, Ontario 5% due 1938.....	5,100.00
5,000.00	Township of East York, Ontario 5½% due 1947.....	5,350.00
5,000.00	Town of Smith Falls, Ontario 5% due 1940.....	5,100.00
2,000.00	Manitoba Drainage Dist. Guaranteed by Province of Manitoba 4% due 1932.....	1,960.00
2,000.00	Manitoba Drainage Dist. Guaranteed by Province of Manitoba 4% due 1930.....	1,980.00
15,000.00	Grand Trunk Railway Guaranteed by Dominion of Canada 6% due 1936.....	16,500.00
5,000.00	Toronto General Trusts Corporation, Toronto, 5½% due 1930.....	5,000.00
20,000.00	Toronto General Trusts Corporation, Toronto, 5¼% due 1930.....	20,000.00
1,000.00	Victoria, B. C. 5½% due 1941.....	1,060.00
1,000.00	Victoria, B. C. 5½% due 1945.....	1,080.00
5,000.00	City of Galt, Ontario 5½% due 1936.....	5,300.00
4,000.00	City of Brantford, Ontario 5% due 1944.....	4,160.00
2,000.00	City of Brantford, Ontario 4½% due 1942.....	1,980.00
6,145.49	Town of Weston, Ontario 5% due 1947.....	6,329.85
5,000.00	Township of Scarboro, Ontario 5% due 1942.....	5,100.00
8,000.00	County of Haldimand, Ontario 5% due 1934-37.....	8,240.00

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GRAND TOTAL, THE CANADIAN SURETY COMPANY.....\$776,640.91

SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

P { 400,000	Participation Certificates 6% due 1913 .....	
531,000	Mexican Federal Government 6% Bonds "C" due July 1, 1923 } ....	.50
300,000	Mexican Federal Government 3% Bonds due Dec. 31, 1925 .....	21,000.00
1,100	Mexican Federal Government 5% Bonds, Interior Debt. ....	110.00
176,000	Mexican Federal Government 5% Bonds, Exterior due 1945 .....	33,440.00
57,100	United Shoe & Leather Company 5% Bonds (571 Bonds) .....	19,815.50
75,684	Banco Minero Bonds. ....	5,014.07
500	Shares Lehigh Valley Coal Sales Company Stock (Par \$50) .....	40,875.00
1	Share Mexico City Country Club. ....	2,500.00
\$10,000	Brooklyn-Manhattan Transit Corporation Rapid Transit Secured S. F. 6% "A" Bonds due July 1, 1968 .....	9,456.25
10,000	New York, Chicago & St. Louis Railway 5½% Bonds due Apr. 1, 1974 .....	9,550.00
10,000	Cleveland, Cincinnati, Chicago & St. Louis "D" Ref. & Imp. 5% Bonds due Jan. 1, 1963 .....	9,750.00
10,000	American Telephone & Telegraph Company 5% Bonds due Jan. 1, 1960 .....	9,600.00
20,000	St. Louis & San Francisco P. L. 5% Bonds "B" due July 1, 1950 ....	18,537.50
20,000	Missouri Pacific R. R. Company 5% Bonds First & Refunding "A" due Jan. 1, 1965 .....	18,022.50
10,000	N. Y., N. H. & Hartford Convertible Debenture 6% Bonds due Jan. 15, 1948 .....	9,925.00
10,000	American Power & Light Company Debenture 6% Bonds due Mar. 1, 2016 .....	9,931.25
15,000	Taxarkana & Ft. Smith Railway First 5½% Bonds due Aug. 1, 1950 .....	15,121.25
10,000	Public Service Company of N. J. 5½% Bonds due 1956 .....	9,937.50
10,000	Missouri Pacific R. R. Company First & Refunding 5% "F" due Mar. 1, 1977 .....	9,975.00
20,000	Wabash R. R. Company 5% due 1976 .....	19,325.00
10,000	Texas & Pacific Railway Company Refunding & General "B" 5% due Apr. 1, 1977 .....	9,943.75
10,000	Quincy Gas & Electric Company Convertible Debenture "A" 5½% due Apr. 1, 1952 .....	10,152.50
10,000	Virginia & Southwestern Railway Company First Consolidated 5% due Apr. 1, 1958 .....	9,862.50
10,000	Erie R. R. Company Ref. & Imp. 5% due May 1, 1967 .....	9,775.00
10,000	Georgia Power Company First & Refunding Mortgage 5% due Mar. 1, 1967 .....	9,775.00
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A. ....		\$321,395.07





## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*President*

A. F. LAFRENTZ  
*First Vice President*

### *Vice Presidents*

RICHARD DEMING  
W. M. TOMLINS, JR.  
E. F. WATSON  
F. J. PARRY  
LEWIS H. PARRY  
M. L. JENKS

D. H. COOK  
W. E. MCKELL  
C. E. MILLEN  
G. L. NAUGHT  
B. J. MCGINN  
A. E. COTTERELL

CHARLES W. GOETCHIUS  
*Secretary-Treasurer*

A. A. NELSON  
*Comptroller*









BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY OF NEW YORK

REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1928





BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* New York

CHARLES H. ALLEN  
JOHN ANDERSON  
EDWIN L. BLABON  
JOHN E. BOUDEN, JR.  
A. J. BROSEAU  
R. R. BROWN  
NEWCOMB CARLTON  
CLARENCE E. CHAPMAN  
DELOS W. COOKE  
T. JEFFERSON COOLIDGE  
RICHARD DELAFIELD  
PHILIP T. DODGE  
C. G. DU BOIS  
W. N. DYKMAN  
WALTER E. FREW  
W. S. GIFFORD  
ARCHIBALD R. GRAUSTEIN  
J. HORACE HARDING  
F. COIT JOHNSON  
WALTER KASTEN  
F. M. KIRBY  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
EDWARD E. LOOMIS  
L. F. LOREE

THOS. N. McCARTER  
RICHARD B. MELLON  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
ANDREW MILLS  
J. R. MORRON  
SEWARD PROSSER  
JOHN J. RASKOB  
LINDSAY RUSSELL  
CHARLES M. SCHWAB  
JOHN SHERWIN  
WILLIAM SKINNER  
FREDERICK P. SMALL  
R. A. C. SMITH  
VALENTINE P. SNYDER  
JOSEPH B. TERBELL  
ARTHUR W. THOMPSON  
LANDON K. THORNE  
L. A. WATRES  
F. EDSON WHITE  
WILLIAM WHITING  
ALBERT H. WIGGIN  
BENJAMIN L. WINCHELL  
BRONSON WINTHROP  
WILLIAM H. WOODIN



January 15, 1929.

TO THE BOARD OF TRUSTEES:

The results of the operations of our Company for the year ended December 31, 1928 (being the forty-fifth year of its operations), are given below. Comparisons are with the preceding year.

INCOME:

From Premiums.....	\$9,917,571.74	(Increase \$340,765.84)
From Dividends, Interest and Rents, less operating cost.....	<u>1,239,358.97</u>	(Increase \$ 38,368.26)
INCOME.....	\$11,156,930.71	

OUTGO:

For Expenses.....	\$5,666,034.00	(Increase \$212,688.47)
For Taxes.....	492,772.68	(Increase \$ 53,246.12)
For Gross Losses...\$3,753,940.40		(Increase \$ 98,755.59)
Less Cash Salvage of <u>1,220,652.87</u>		(Increase \$ 51,134.85)
Net Losses.....	<u>2,533,287.53</u>	(Increase \$ 47,620.74)

OUTGO..... \$8,692,094.21

EXCESS OF INCOME OVER OUTGO.....\$2,464,836.50  
(Increase \$65,578.77)

Add Profit on Securities Sold.....\$ 21,250.83  
Add Appreciation on Securities Unsold.....210,052.18  
\$ 231,303.01

Deduct Appreciation taken prior to Jan. 1, 1928  
on Securities sold during this period.....6,085.83 225,217.18  
\$2,690,053.68

Transferred to:

Reserve for Unearned Premiums.....	\$ 283,001.95
Reserve for Expenses and Taxes.....	46,736.36
Reserve for Depreciation of Building.....	100,000.00
Voluntary Special Reserve.....	<u>100,000.00</u>
	\$ 529,738.31

LESS

Overdue Premium Reserve De- crease.....	\$ 63,626.93		
Refund Reserve Decrease.....	<u>3,293.07</u>	66,920.00	462,818.31

BALANCE FOR FINAL DISPOSITION.....\$2,227,235.37

Dividends Paid.....1,200,000.00

ADDED TO SURPLUS.....\$1,027,235.37

# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1928	1927	Increase	Decrease
Real Estate . . . . .	\$ 8,539,224.99	\$ 8,639,224.99	\$	\$ 100,000.00
U. S. Government				
Bonds . . . . .	3,207,512.50	4,007,532.82		800,020.32
Other Bonds . . . . .	3,999,865.00	4,411,999.38		412,134.38
Stocks . . . . .	4,445,787.50	2,112,715.00	2,333,072.50	
Premiums in Course of Collection . . . . .	2,106,031.17	2,020,794.21	85,236.96	
Cash in Banks and Offices . . . . .	1,173,725.15	856,513.69	317,211.46	
Reinsurance and other Accounts Receivable	57,659.68	103,220.23		45,560.55
Interests and Rents Receivable . . . . .	98,467.28	108,235.28		9,768.00
	<u>\$23,628,273.27</u>	<u>\$22,260,235.60</u>	<u>\$1,368,037.67</u>	

## LIABILITIES

Capital Stock . . . . .	\$ 5,000,000.00	\$ 5,000,000.00	\$	\$
Surplus and Undivided Profits . . . . .	6,027,831.21	5,000,595.84	1,027,235.37	
Reserve for Unearned Premiums . . . . .	6,944,386.47	6,661,384.52	283,001.95	
Reserve for Contingent Claims . . . . .	3,785,094.04	3,841,803.38		56,709.34
Reserve against Out- standing Premiums..	450,000.00	513,626.93		63,626.93
Reserve for Expenses and Taxes . . . . .	1,110,724.92	1,055,186.13	55,538.79	
Voluntary Special Reserve . . . . .	100,000.00		100,000.00	
Reinsurance and other Accounts Payable . . .	210,236.63	187,638.80	22,597.83	
	<u>\$23,628,273.27</u>	<u>\$22,260,235.60</u>	<u>\$1,368,037.67</u>	



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT DECEMBER 31, 1928

## RESOURCES

Real Estate . . . . .	\$ 8,539,224.99
Securities at Market Value:	
U. S. Government Bonds . . . . .	\$3,207,512.50
All other Bonds . . . . .	3,999,865.00
*Stocks . . . . .	<u>4,445,787.50</u>
	11,653,165.00
Premiums in Course of Collection . . . . .	2,106,031.17
Cash in Banks and Offices . . . . .	1,173,725.15
Reinsurance and other Accounts Receivable . . . . .	57,659.68
Accrued Interest and Rents Receivable . . . . .	<u>98,467.28</u>
	\$23,628,273.27

## LIABILITIES

Capital Stock (100,000 shares. Par Value \$50.00 per share) . . . . .	\$ 5,000,000.00
Surplus and Undivided Profits . . . . .	6,027,831.21
Reserve for Unearned Premiums . . . . .	6,944,386.47
Reserve for Contingent Claims . . . . .	3,785,094.04
Reserve for Outstanding Premiums . . . . .	450,000.00
Reserve for Expenses and Taxes . . . . .	1,110,724.92
Voluntary Special Reserve . . . . .	100,000.00
Reinsurance and other Accounts Payable . . . . .	<u>210,236.63</u>
	\$23,628,273.27

\* At Market Values with exception of stocks of subsidiary companies, which are carried at par or stated value; this being less than their book value.



The Financial Statement shows that the total value of the Company's assets December 31, 1928, was \$23,628,273.27 compared with \$22,260,235.60 at the end of the preceding year. The increase of \$1,368,037.67 represents chiefly the investment of reserves and undivided profits which were left in the business from the year's operations after the payment of \$1,200,000 in dividends.

The Real Estate item of \$8,539,224.99 represents the cost of the Company's unencumbered Home Office Building at 100 Broadway, New York City, less depreciation now being written off at the rate of \$100,000 per annum. The Company occupies five stories of this building, for the use of which space it charges itself at the market rental-rate. All of the remaining space is advantageously rented.

The Securities item of \$11,653,165 represents investments of the Company at their market values with the exception of stocks of subsidiary companies which are carried at par or stated value; this being less than their book value.

Against Premiums in Course of Collection amounting to \$2,106,031.17 a Reserve of \$450,000 is carried in liabilities for items which are due for more than ninety days and which are disallowed as an asset.

The Claim Reserve of \$3,785,094.04 is considered ample for the discharge of the Company's liability in all cases of default that have been reported under its bonds, and includes a special reserve in the sum of \$1,000,000 to cover the Company's estimated liability on unreported losses. The provision for this special reserve is in accordance with a ruling of the New York Insurance Department.

The Reserve for Expenses and Taxes of \$1,110,724.92 is considered sufficient to meet all accrued Federal, State and local taxes; all items in transit between Branch Offices and the Home Office; and all accrued expenses.

The Reserve for Unearned Premiums of \$6,944,386.47 represents, as its name implies, the unearned premiums on bonds and policies in force.

A Voluntary Special Reserve of \$100,000 has been set up against possible depreciation of securities and other contingencies.

The cash salvage collections for the year of \$1,220,652.87 amounted to 32½% of \$3,753,940.40 losses incurred. The Company has continued its policy of not treating salvage as a profit nor carrying it as an asset until it is converted into cash.

The year's investment income of \$1,239,358.97 subject only to a deduction of \$100,000 for depreciation of the Company's building, exceeded by \$39,358.97 the total dividend payments of \$1,200,000 for the year.

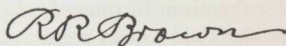
The recommendation of your board that the stockholders adopt an amendment of the Company's charter so as to provide that the amount of its capital stock of \$5,000,000 shall be divided into 200,000 shares of \$25 each, instead of into 100,000 shares of \$50 each, was approved at the annual meeting of the stockholders, January 8, 1929.

It is contemplated that this increase in the number of shares outstanding and the reduction in their par value will result in a wider distribution of the stock by placing it within the reach of a larger class of investors, including many of the Company's employees.

This should increase the number of the Company's contacts with the public and the number of its employees having a proprietary interest in the enterprise.

I am grateful to the members of this Board and of its Committees for their wise policies of administration, and to the members of our Home Office and field forces for the able and zealous manner in which those policies have been carried out.

Respectfully submitted,



President.

## GENERAL INFORMATION

On the last day of 1928 there remained in force bonds carrying a liability of \$2,312,524,271.

There were presented to us during 1928:

6431	Fidelity Claims
428	Official Claims
764	Court, Contract and Depository Claims
944	Burglary Insurance Claims
353	Forgery Claims
325	Plate Glass Claims

Making a total of 9245 (An increase of 799 as compared with 1927).

## LOSS RATIOS

Ratio of Fidelity and Surety Claims Paid to Net Premiums—	
Year 1928.....	24.52
Ratio of Fidelity and Surety Claims Paid to Net Premiums—	
Entire Period.....	25.16
Ratio of Casualty Claims Paid to Net Premiums—	
Year 1928.....	38.52
Ratio of Casualty Claims Paid to Net Premiums—	
Entire Period.....	34.20

We are represented in this country by 40 Branch Office Managers, and 15,044 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$137,781,886.08
Its Net Paid Losses were.....	35,363,991.92
And its Expenses .....	80,556,563.47
Leaving an excess from underwriting, subject to	
Reserves, of.....	21,861,330.69
Which is equivalent to 15.87% of the Net Premium Income.	

Our Stockholders have received in Cash Dividends..... \$ 17,037,500.00



# AMERICAN SURETY COMPANY OF NEW YORK

## AMSUCO SECURITIES COMPANY

## THE CANADIAN SURETY COMPANY

## COMPANIA MEXICANA DE GARANTIAS S. A.

### CONSOLIDATED FINANCIAL STATEMENT DECEMBER 31, 1928

#### RESOURCES

Real Estate.....	\$ 8,552,828.61
Bonds, Stocks and Debentures at Market Value.....	12,221,826.05
Premiums in Course of Collection.....	2,191,152.66
Cash.....	1,325,858.60
Mortgage and other Secured Loans.....	360,590.42
Reinsurance and other Accounts Receivable.....	66,465.41
Interest and Rents Receivable.....	112,847.11
	<hr/>
	\$24,831,568.86

#### LIABILITIES

Capital Stock (100,000 shares. Par Value \$50.00 per share).....	\$ 5,000,000.00
Surplus and Undivided Profits.....	6,515,445.96
*Minority Interest in Subsidiary Companies.....	88,439.90
Reserve for Unearned Premiums.....	7,289,296.68
Reserve for Contingent Claims.....	3,958,275.45
Reserve for Outstanding Premiums.....	469,964.45
Reserve for Expenses and Taxes.....	1,149,855.65
Voluntary Special Reserve.....	130,000.00
Reinsurance and other Accounts Payable.....	230,290.77
	<hr/>
	\$24,831,568.86

\*Minority Interest in Subsidiary Companies consists of:  
455 Shares Canadian Surety Company Stock  
55 Shares Compania Mexicana de Garantias, S. A.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$465,136.58	(Increase \$53,756.74)
From Interest.....	<u>40,912.94</u>	(Increase \$ 2,826.29)
INCOME.....		\$506,049.52
OUTGO:		
For Expenses.....	\$250,096.38	(Increase \$22,950.48)
For Taxes.....	11,835.43	(Increase \$ 49.05)
For Gross Losses.....	\$208,023.62	(Increase \$55,558.97)
Less Cash Salvage of.....	<u>35,124.69</u>	(Increase \$ 4,916.14)
Net Losses.....	<u>172,898.93</u>	(Increase \$50,642.83)
OUTGO.....		\$434,830.74
EXCESS OF INCOME OVER OUTGO.....		\$71,218.78
(Decrease \$17,059.33)		
Deduct decrease in value of Securities Unsold.....	13,743.94	
Less Profit on Securities Sold.....	<u>194.68</u>	
		13,549.26
		<u>\$57,669.52</u>
Transferred to		
Reserve for Unearned Premiums.....	\$ 28,467.89	
Reserve for Expenses and Taxes.....	564.34	
Reserve for Outstanding Premiums...	<u>789.06</u>	
		29,821.29
BALANCE FOR FINAL DISPOSITION.....		\$27,848.23
Dividends Paid.....		<u>27,000.00</u>
ADDED TO SURPLUS.....		\$ 848.23



## THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1928

### RESOURCES

Bonds and Debentures at Market Value.....	\$808,725.49
Premiums in course of collection.....	68,499.61
Cash in Banks and Offices.....	53,384.34
Reinsurance and other Accounts Receivable.....	1,555.15
Interest Receivable.....	8,491.02
	<hr/>
	\$940,655.61

### LIABILITIES

Capital Stock (3000 shares. Par Value \$100.00 per share) .....	\$300,000.00
Surplus and Undivided Profits.....	252,845.40
Reserve for Unearned Premiums.....	211,492.68
Reserve for Contingent Claims.....	90,369.85
Reserve for Outstanding Premiums.....	19,964.45
Reserve for Expenses and Taxes.....	20,496.24
Voluntary Special Reserve.....	30,000.00
Reinsurance and other Accounts Payable.....	15,486.99
	<hr/>
	\$940,655.61

NOTE: American Surety Company of New York owns 2545 of the 3000 shares of capital stock of this Company, and carries the same at par.

The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums . . . . .	\$235,014.53	(Decrease \$33,506.39)
From Interest and Dividends . . . . .	40,027.65	(Decrease \$ 1,353.12)
	<hr/>	
INCOME . . . . .	\$275,042.18	
OUTGO:		
For Expenses and Taxes . . . . .	\$ 97,523.65	(Decrease \$ 1,825.17)
For Gross Losses . . . . .	\$145,499.48	(Increase \$ 3,823.39)
Less Cash Salvage of . . . . .	28,614.13	(Increase \$ 2,618.47)
	<hr/>	
Net Losses . . . . .	116,885.35	(Increase \$ 1,204.92)
	<hr/>	
OUTGO . . . . .	\$214,409.00	
Excess of Income over Outgo . . . . .	\$60,633.18	
(Decrease \$34,239.26)		
Deduct Decrease in Value of Securities Unsold . . . . .	\$ 16,314.81	
Less Profit on Securities Sold . . . . .	8,495.18	7,819.63
	<hr/>	
		\$52,813.55
Transferred to		
Legal Fund Provision . . . . .	\$ 10,000.00	
Reserve for Expenses and Taxes . . . . .	18,634.49	
	<hr/>	
	\$ 28,634.49	
Less Unearned Premium Reserve Decrease . . . . .	10,574.18	18,060.31
	<hr/>	
BALANCE FOR FINAL DISPOSITION . . . . .	\$34,753.24	
DIVIDENDS PAID . . . . .	25,000.00	
	<hr/>	
ADDED TO SURPLUS . . . . .	\$ 9,753.24	

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States)

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT DECEMBER 31, 1928

(Converted into United States Currency, in the ratio of Two Pesos, Mexican, to One Dollar, United States)

RESOURCES

Real Estate.....	\$ 13,603.62
Bonds and Stocks at Market Value.....	347,845.56
Premiums in Course of Collection.....	16,621.88
Cash in Banks and Office.....	37,299.45
Cash Deposits under Law.....	50,750.00
Mortgage Loans.....	177,700.00
Reinsurance and other Accounts Receivable.....	7,250.58
Interest Receivable.....	5,859.64
	<hr/>
	\$656,930.73

LIABILITIES

Capital Stock (5000 shares. Par Value \$50.00 per share).....	\$250,000.00
Surplus and Undivided Profits.....	167,500.00
Reserve for Unearned Premiums.....	133,417.53
Reserve for Contingent Claims.....	82,811.56
Reserve for Expenses and Taxes.....	18,634.49
Reinsurance and other Accounts Payable.....	4,567.15
	<hr/>
	\$656,930.73

NOTE: American Surety Company of New York owns 4945 of the 5000 shares of capital stock of this Company, and carries the same at par.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends.....		\$19,572.41
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OUTGO:

For Expenses.....	\$ 509.02	
For Federal Income Tax.....	1,875.34	2,384.36

Excess of Income over Outgo.....		\$17,188.05
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Deduct Decrease in Value of Securities Unsold.....	21,562.50	
Less Profit on Securities Sold.....	14,730.75	6,831.75

Dividends Paid.....		10,356.30
		20,000.00

Deducted from Surplus.....		\$ 9,643.70
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# AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT DECEMBER 31, 1928

## RESOURCES

Bonds and Stocks at Market Value . . . . .	\$113,840.00
Cash in Banks . . . . .	10,699.66
Mortgage and other Secured Loans . . . . .	182,890.42
Interest Receivable . . . . .	29.17
	<hr/>
	\$307,459.25

## LIABILITIES

Capital Stock (5000 shares without par value) . . . . .	\$200,000.00
Surplus . . . . .	107,459.25
	<hr/>
	\$307,459.25

NOTE: American Surety Company of New York owns all of the capital stock of this Company and carries the same at the no-par stated value.



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	MARKET VALUE
\$ 700,000	U. S. of America 4th Liberty Loan (Registered) 4¼%, 1938. ....	\$ 701,531.25
100,000	U. S. of America 4th Liberty Loan (Coupon) 4¼%, 1938. ....	100,250.00
250,000	U. S. of America Treasury Bonds 4¼%, 1952. ....	279,062.50
200,000	U. S. of America Treasury Notes 4%, 1954. ....	213,250.00
1,465,000	U. S. of America Treasury Notes Series "A" 3½%, 1932. ....	1,426,543.75
200,000	U. S. of America Treasury Notes Series "B" 3½%, 1932. ....	194,750.00
300,000	U. S. of America Treasury Notes Series "C" 3½%, 1932. ....	292,125.00
		<hr/> \$3,207,512.50

## STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS

\$ 50,000	City of Montreal (Maisonneuve) 5½%, 1930. ....	\$ 49,750.00
500,000	City of New York Exempt Corporate Stock (Reg.) 4%, 1977. ....	490,000.00
25,000	City of Toronto Consolidated Loan Deb 5%, 1930. ....	24,750.00
20,000	City of Winnipeg, Dominion of Canada Cons. Deb. 5%, 1943. ....	19,900.00
50,000	Dominion of Canada 10 yr. 4½%, 1936. ....	49,125.00
50,000	Dominion of Canada (Province of Ontario) Deb. 4½%, 1929. ....	49,250.00
50,000	N. Y. State Canal Improvement (Reg.) 3%, 1958. ....	47,000.00
10,000	Porto Rico Gold Loan of 1915 (Reg.) 4%, 1956. ....	9,350.00
		<hr/> \$ 739,125.00

## RAILROAD BONDS

\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. (Reg.) 4%, 1939. ....	\$ 44,750.00
20,000	Atlantic Coast Line R. R. Co. Equip. Trust Series "E" 4½%, 1929	19,800.00
20,000	Atlantic Coast Line R. R. Co. Equip. Trust Series "E" 4½%, 1930	19,800.00
25,000	Baltimore & Ohio R. R. Co. Equip. Trust Series "B" 4½%, 1930 ..	24,750.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge. Series "D" 5%, 2000	50,062.50
100,000	Canadian National Ry. Co. 5 year Guaranteed 4½%, 1930. ....	98,375.00
100,000	Canadian National Ry. Co. 30 year Guaranteed 4½%, 1957. ....	95,500.00
100,000	Canadian Northern Ry. Co. 10 year Guaranteed 4½%, 1935. ....	97,500.00
100,000	Canadian Northern Ry. (Winnipeg Terminals) 4%, 1939. ....	88,000.00
50,000	Chesapeake & Ohio Ry. Co. 20 year Convertible 4½%, 1930. ....	49,625.00

PAR  
VALUE

RAILROAD BONDS—Continued

MARKET  
VALUE

\$ 10,000	Chesapeake & Ohio Ry. Co. Equip. Trust Series "V" 5%, 1929...	\$ 9,925.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	47,250.00
100,000	Chicago, St. Paul, Minneapolis & Omaha Ry. Co. Deb. 5%, 1930..	98,000.00
50,000	Chicago Union Station Co. 1st Mtge. Series "B" 5%, 1963.....	51,500.00
100,000	Cleveland, Cincinnati, Chicago & St. Louis Ry. Co. Ref. and Imp. Mtge. Series "A" 6%, 1929.....	100,000.00
49,000	Cleveland Union Term. Co. 1st Mtge. S. F. Series "A" 5½%, 1972..	52,552.50
50,000	Erie R. R. Co. 1st Cons. General Lien 4%, 1996.....	40,187.50
25,000	Erie & Jersey R. R. Co. 1st Mtge. 50 year S. F. 6%, 1955.....	27,625.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "17" 4½%, 1930	24,500.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" 4½%, 1932	24,125.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" 4½%, 1933	24,000.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" 4½%, 1934	23,750.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" 4½%, 1935	23,625.00
50,000	Great Northern Ry. Co. General Mtge. Series "A" 7%, 1936.....	56,062.50
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mtge. (Coupon) 5%, 1950	24,625.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977..	195,500.00
12,000	New York Central Lines Equip. Trust 4½%, 1929.....	11,880.00
14,000	New York Central Lines Equip. Trust 5%, 1929.....	13,895.00
50,000	Pennsylvania R. R. Co. 40 year Secured 5%, 1964.....	51,500.00
25,000	St. Louis Southwestern Ry. Co. 1st Cons. Mtge. 4%, 1932.....	23,875.00
15,000	Southern Pacific Co. Equip. Trust Series "H" 4½%, 1929.....	14,850.00
10,000	Southern Pacific Co. Equip. Trust Series "H" 4½%, 1930.....	9,900.00
50,000	Southern Pacific Co. 20 year Convertible 4%, 1929.....	49,562.50
50,000	Southern Ry. Co. Dev. & Gen'l Mtge. Series "A" 4%, 1956.....	43,562.50
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	25,687.50
5,000	Union Tank Car Co. Equipment Trust 4½%, 1929.....	4,950.00
5,000	Union Tank Car Co. Equipment Trust 4½%, 1930.....	4,900.00
5,000	Union Tank Car Co. Equipment Trust 4½%, 1931.....	4,850.00
5,000	Union Tank Car Co. Equipment Trust 4½%, 1932.....	4,825.00
5,000	Union Tank Car Co. Equipment Trust 4½%, 1933.....	4,800.00
5,000	Union Tank Car Co. Equipment Trust 4½%, 1934.....	4,762.50
5,000	Union Tank Car Co. Equipment Trust 4½%, 1935.....	4,725.00
5,000	Union Tank Car Co. Equipment Trust 4½%, 1936.....	4,700.00
50,000	Wabash R. R. Co. 2d Mortgage 5%, 1939.....	49,875.00
50,000	Wabash Ry. Co. Ref. & Gen'l Mtge. Series "B" 5%, 1976.....	49,437.50

\$1,793,927.50

PAR VALUE	PUBLIC UTILITY BONDS	MARKET VALUE
\$ 50,000	American Telephone & Telegraph Co. 35 yr. S. F. Deb. 5%, 1960..	\$ 52,375.00
100,000	Brooklyn-Manhattan Transit Corp. One year Secured 6%, 1929...	99,500.00
125,000	Brooklyn-Manhattan Transit Corp. Rapid Transit Security Sinking Fund, Series "A" (Coupon) 6%, 1968.....	122,812.50
100,000	Consolidated Gas Co. of N. Y. 20 year Deb. 5½%, 1945.....	105,750.00
50,000	Duquesne Light Co. 1st Mtge. Series "A" 4½%, 1967.....	49,875.00
50,000	General Cable Corp. 1st Mtge. S. F. Series "A" 5½%, 1947.....	49,000.00
25,000	Milwaukee Gas Light Co. 1st Mtge. 4½%, 1967.....	25,125.00
100,000	New York Edison Co. 1st Lien & Ref. Mtge. Series "B" 5%, 1944..	103,875.00
100,000	New York Gas & Elec. Light, Heat & Power Co. 1st Mtge. 5%, 1948	107,250.00
35,000	New York Telephone Co. S. F. Deb. 6%, 1949.....	38,762.50
100,000	Western Union Telegraph Co. 25 year 5%, 1951.....	102,500.00
		<hr/> \$ 856,825.00

#### INDUSTRIAL BONDS

\$ 50,000	Allis Chalmers Manufacturing Co. 10 year Deb. 5%, 1937.....	\$ 50,062.50
65,000	American Sugar Refining Co. 15 year 6%, 1937.....	67,600.00
100,000	Armour & Co. of Del. 1st Mtge. 20 yr. Guar. Series "A" 5½%, 1943	90,500.00
50,000	Chicago Pneumatic Tool Co. 15 year S. F. Deb. 5½%, 1942.....	49,500.00
25,000	General Motors Acceptance Corp. Notes Series "C" 5%, 1929....	24,812.50
15,000	General Motors Acceptance Corp. Notes Series "D" 5%, 1930....	14,700.00
10,000	General Motors Acceptance Corp. Notes Series "E" 5%, 1931....	9,750.00
25,000	General Motors Acceptance Corp. Notes Series "H" 5%, 1934....	23,875.00
25,000	General Motors Acceptance Corp. Notes Series "I" 5%, 1935....	23,625.00
50,000	Inspiration Consolidated Copper Co. 5 year Notes 6½%, 1931....	50,562.50
100,000	Westinghouse Electric & Mfg. Co. 20 year 5%, 1946.....	104,500.00
100,000	Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" 5%, 1978	100,500.00
		<hr/> \$ 609,987.50



# STOCKS

	MARKET VALUE
1,000 Shares Allied Chemical & Dye Co. Pfd.....	\$ 121,000.00
1,000 Units Allied Power & Light Corp.....	104,000.00
500 Shares American Ice Co. Pfd.....	47,000.00
1,000 Shares American Locomotive Co. Pfd.....	112,000.00
1,000 Shares American Power & Light Co. Pfd. Series "A" Unstamped.....	78,500.00
1,000 Shares Atchison, Topeka & Santa Fe Ry. Co. Non-Cum. Pfd.....	103,500.00
1,000 Shares Atchison, Topeka & Santa Fe Ry. Co. Common.....	196,250.00
1,000 Shares Baltimore & Ohio R. R. Co. Pfd.....	79,750.00
1,000 Shares Chase National Bank & Chase Securities Corp. of New York....	887,000.00
1,000 Shares Chicago, Rock Island & Pacific Ry. Co. Pfd.....	100,500.00
2,000 Shares Consolidated Gas Co. of N. Y. Cum. Pfd.....	197,000.00
1,000 Shares E. I. Dupont de Nemours & Co. Cum. Non-Voting Deb.....	117,000.00
1,000 Shares Duquesne Light Co. Cum. Pfd.....	100,000.00
900 Shares Engineers Public Service Co. Convertible Pfd.....	81,787.50
2,000 Shares General Motors Corp. Pfd.....	252,000.00
1,000 Shares International Paper & Power Co. Pfd.....	89,000.00
1,000 Shares New York Central R. R. Co.....	188,000.00
1,000 Shares N. Y., N. H. & H. R. R. Co. Cumulative Pfd.....	114,000.00
1,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	82,000.00
1,000 Shares New York Telephone Co. Pfd.....	113,250.00
5,000 Shares Pennsylvania R. R. Co.....	382,500.00
2,000 Shares Southern Railway Co. Pfd.....	198,000.00
5,000 Shares Amsuco Securities Company.....	200,000.00
4,945 Shares Compania Mexicana de Garantias S. A.....	247,250.00
2,545 Shares The Canadian Surety Company.....	254,500.00

\$ 4,445,787.50

# RECAPITULATION

\$3,215,000 United States Government Bonds.....	\$3,207,512.50
755,000 State, County, Province and Municipal Bonds.....	739,125.00
1,840,000 Railroad Bonds.....	1,793,927.50
835,000 Public Utility Bonds.....	856,825.00
615,000 Industrial Bonds.....	609,987.50

\$7,260,000 Total of Bonds.....	\$7,207,377.50
Stocks.....	4,445,787.50

GRAND TOTAL OF BONDS AND STOCKS.....\$11,653,165.00

# BONDS AND DEBENTURES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE		MARKET VALUE
\$10,000.00	Province of New Brunswick 3%, 1939.....	\$ 8,600.00
15,000.00	Dominion of Canada War Loan 5½%, 1932.....	15,300.00
45,000.00	Dominion of Canada War Loan 5½%, 1934.....	46,350.00
5,000.00	Province of Quebec 4½%, 1946.....	5,000.00
5,000.00	Province of New Brunswick 6%, 1930.....	5,100.00
25,000.00	Hydro Electric Power Commission of Ontario, guaranteed by Prov. of Ontario, 4%, 1957.....	22,500.00
10,000.00	Province of Ontario 6%, 1935.....	10,700.00
5,000.00	Province of Saskatchewan 6%, 1936.....	5,350.00
10,000.00	Hydro Electric Power Commission of Ontario, guaranteed by Prov. of Ontario, 6%, 1941.....	11,100.00
7,000.00	Portage Industrial Exhibition, guaranteed by City of Portage, LaPrairie, Man. 5%, 1934.....	6,930.00
1,000.00	City of Edmonton, Alberta, 5%, 1933.....	1,000.00
{ 2,294.70	Windsor Ontario By-Law 5½%, 1946-49.....	2,409.44
{ 7,669.50		8,129.67
4,014.75	City of Guelph, Ontario, 5%, 1932.....	4,014.75
5,000.00	City of Halifax, N. S., 5%, 1961.....	5,000.00
9,733.33	City of Victoria, B. C., 4%, 1936.....	9,149.34
10,000.00	City of Edmonton, Alberta, 5½%, 1945.....	10,500.00
14,600.00	City of Toronto, Ontario, 4%, 1948.....	13,286.00
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	1,880.00
10,000.00	City of Belleville, Ontario, 4½%, 1941.....	9,700.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,000.00
5,700.00	City of Stratford, Ontario, 4½%, 1932.....	5,643.00
10,000.00	City of Brandon, Manitoba, 5%, 1933.....	10,000.00
15,000.00	City of Sydney, N. S., 4½%, 1942.....	13,950.00
2,000.00	City of Three Rivers, Que., 5½%, 1947.....	2,100.00
15,000.00	City of Victoria, B. C., 5½%, 1941.....	15,600.00
13,000.00	City of Toronto, Ontario, 5%, 1953.....	13,390.00
10,000.00	Toronto Harbour Commission, guar. by City of Toronto, 4½%, 1953 or earlier.....	9,600.00
4,000.00	City of St. Catharines, Ontario, 4%, 1935.....	3,800.00
5,000.00	City of Galt, Ontario, 5%, 1937.....	5,050.00
5,000.00	City of Toronto, Ontario, 6%, 1935.....	5,300.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE		MARKET VALUE
1,703.33	City of Winnipeg, Manitoba, Reg. Stock, 4½%, 1943-63.....	\$ 1,635.20
6,000.00	City of Halifax, N. S., 6%, 1931.....	6,120.00
50,000.00	City of Toronto, Ontario, 6%, 1945.....	56,000.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	5,250.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	1,810.40
2,000.00	Town of Oshawa, Ontario, 5½%, 1946.....	2,100.00
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,240.00
649.74	Town of Oshawa, Ontario, 6%, 1929.....	649.74
1,337.45	Town of Oshawa, Ontario, 6%, 1930.....	1,350.82
730.05	Town of Oshawa, Ontario, 6%, 1931.....	744.65
8,000.00	Town of North Bay, Ontario, 5%, 1940-3.....	8,000.00
4,000.00	Town of North Bay, Ontario, 5%, 1938-39.....	4,000.00
5,000.00	Town of Lindsay, Ontario, 5½%, 1934.....	5,100.00
1,820.40	Town of Watrous, Saskatchewan, 5½%, 1929-56.....	1,693.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940-42.....	6,894.38
2,464.54	Town of Smith Falls, Ontario, 5½%, 1933-35.....	2,513.83
6,000.00	Town of Sandwich, Ontario, 5½%, 1945.....	6,240.00
2,000.00	Town of Welland, Ontario, 5½%, 1934.....	2,040.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937-41.....	1,877.23
10,000.00	Town of Owen Sound, Ontario, 4½%, 1932.....	9,900.00
5,000.00	Town of Swift Current, Sask. Cert. of Indebt., 3%, 1937.....	2,750.00
8,000.00	Town of Estevan, Saskatchewan, 5%, 1942-43.....	7,600.00
3,000.00	Town of Neepawa, Manitoba, 6%, 1944.....	3,180.00
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	17,000.00
2,000.00	Township of Esquimalt, B. C., 5%, 1963.....	2,000.00
5,000.00	Greater Winnipeg Water District 6%, 1940.....	5,450.00
4,000.00	Township of York, Ontario, 6%, 1931.....	4,080.00
7,000.00	District of North Vancouver, B. C., 5%, 1960.....	7,000.00
7,000.00	Township of Richmond, B. C., 4½%, 1959.....	6,510.00
900.00	Rural Municipality of St. Vital, Man., 5½%, 1956.....	810.00
5,000.00	County of Norfolk, 5%, 1932.....	5,000.00
7,000.00	County of Lincoln, 5½%, 1942.....	7,420.00
10,346.29	St. Hyacinthe, Que., School, 4½%, 1953-60.....	9,415.12
5,000.00	Toronto, Ontario, R. C. School, 5%, 1945.....	5,050.00
7,000.00	Montreal, Que., Protestant School, 4½%, 1943.....	6,720.00
15,000.00	Canadian National Railways, guar. by Dominion of Canada, 5%, 1935.....	15,150.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE		MARKET VALUE
\$ 4,399.47	Toronto Power Co., guaranteed by Hydro Electric Power Commission & Prov. of Ontario, 4½%, 1941 or earlier.....	\$ 4,355.47
25,000.00	Toronto General Trusts Corp., 5½%, 1929.....	25,000.00
10,000.00	National Trust Company Ltd., Toronto, 5½%, 1929.....	10,000.00
15,000.00	Canada Permanent Trust Co., Toronto, 5½%, 1929.....	15,000.00
10,000.00	Canada Permanent Mortgage Co., Toronto, 5½%, 1930.....	10,000.00
5,000.00	Canada Permanent Trust Co., Toronto, 5½%, 1930.....	5,000.00
20,000.00	Canada Permanent Trust Co., Toronto, 5¼%, 1930.....	20,000.00
5,000.00	Toronto General Trusts Corp., 5½%, 1930.....	5,000.00
20,000.00	Toronto General Trusts Corp., 5¼%, 1930.....	20,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1930.....	30,000.00
10,000.00	Massey-Harris Company, Ltd., 5%, 1947.....	9,800.00
5,000.00	United Grain Growers, Ltd., 5%, 1948.....	4,850.00
973.33	City of Calgary, Alberta, 4½%, 1941.....	924.66
2,433.32	City of Calgary, Alberta, 4½%, 1942.....	2,311.65
2,433.33	City of Calgary, Alberta, 5%, 1943.....	2,311.65
20,000.00	Gatineau Power Company 1st Mortgage, 5%, 1956 or earlier.....	19,600.00
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	5,000.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	5,200.00
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	5,000.00
2,000.00	Manitoba Drainage Dist., guaranteed by Prov. of Manitoba, 4%, 1933	1,940.00
2,000.00	Manitoba Drainage Dist., guaranteed by Prov. of Manitoba, 4%, 1930	1,980.00
15,000.00	Grand Trunk Ry., guaranteed by Dominion of Canada, 6%, 1936....	16,050.00
1,000.00	City of Victoria, B. C., 5½%, 1941.....	1,040.00
1,000.00	City of Victoria, B. C., 5½%, 1945.....	1,050.00
5,000.00	City of Galt, Ontario, 5½%, 1936.....	5,150.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,040.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	1,920.00
6,145.49	Town of Weston, Ontario, 5%, 1947.....	6,145.49
5,000.00	Township of Scarboro, Ontario, 5%, 1942.....	5,000.00
8,000.00	County of Haldimand, Ontario, 5%, 1934-7.....	8,080.00
5,000.00	St. Maurice Valley Corp., 6%, 1945.....	5,100.00
25,000.00	Kingdom of Norway, 5%, 1963.....	24,250.00
5,000.00	Quebec Power Company, 5%, 1968.....	4,900.00
TOTAL, THE CANADIAN SURETY COMPANY.....		\$808,725.49

SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

BONDS

PAR VALUE		MARKET VALUE
\$10,000	American Power & Light Company Deb. 6%, 2016.....	\$10,500.00
10,000	American Telephone & Telegraph Company 5%, 1960.....	10,500.00
25,000	Brooklyn-Manhattan Transit Corp. Rapid Transit Secured S. F. "A" 6%, 1968.....	24,500.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. "A" 5%, 1975.....	18,800.00
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	9,500.00
15,000	Georgia Power Company 1st & Ref. Mtge. 5%, 1967.....	14,850.00
10,000	Missouri Pacific R. R. Company 1st & Ref. "F" 5%, 1977.....	9,900.00
10,000	New Orleans Public Service 1st & Ref. Mtge. "B" 5%, 1955.....	9,700.00
10,000	New York, Chicago & St. Louis Ry. "A" 5½%, 1974.....	10,600.00
10,000	N. Y., N. H. & Hartford Conv. Deb. 6%, 1948.....	11,700.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. "A" 5½%, 1952.....	10,300.00
10,000	St. Louis & San Francisco Cons. "A" 4½%, 1978.....	9,000.00
20,000	St. Louis & San Francisco P. L. "B" 5%, 1950.....	20,000.00
15,000	Texarkana & Ft. Smith Ry. Co. 1st 5½%, 1950.....	15,600.00
10,000	Texas & Pacific Ry. Co. Ref. & Genl. "B" 5%, 1977.....	10,100.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	9,400.00
10,000	Wabash R. R. Company Ref. & Genl. "B" 5%, 1976.....	9,900.00
88,000	Mexican Federal Government 5% Exterior 1945.....	30,800.00
P 75,684	Banco Minero of Chihuahua Bonds.....	5,014.06
88,600	United Shoe & Leather Co. 5%.....	32,782.00
300,000	Mexican Federal Government 3% Bonds, 1925.....	18,000.00
1,100	Mexican Federal Government 5% Bonds, Interior Debt.....	99.00
{ 400,000	Participation Certificates 6%, 1913 &..... }	
{ 531,000	Mexican Federal Government 6% Bonds, 1913 "C" }	.50

STOCKS

500	Shares Lehigh Valley Coal Sales Co. (Certificate of Deposit).....	23,500.00
1	Share Mexico City Country Club.....	2,500.00
100	Shares American Superpower 1st Preferred.....	9,900.00
100	Units Allied Power & Light Corporation.....	10,400.00

TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....\$347,845.56

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE		MARKET VALUE
\$10,000	Brooklyn-Manhattan Transit Corp., Series A, 6%, 1968.....	\$ 9,800.00
25,000	Brooklyn-Manhattan Transit Corp., 6% Notes, 1929.....	24,750.00
50,000	New England Power Association Deb., 6%, 1948.....	46,500.00

## STOCKS

500 Shares	Lehigh Valley Coal Sales Co. Certificate of Deposit.....	\$ 23,500.00
9 Shares	Shares Title Guaranty and Surety Co.....	90.00
100 Shares	Engineers Public Service Co. Conv. Preferred.....	9,200.00
		<hr/>
		\$113,840.00



## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*President*

A. F. LAFRENTZ  
*First Vice-President*

### *Vice-Presidents*

RICHARD DEMING  
W. M. TOMLINS, JR.  
E. F. WATSON  
F. J. PARRY  
LEWIS H. PARRY  
M. L. JENKS

D. H. COOK  
W. E. MCKELL  
C. E. MILLEN  
G. L. NAUGHT  
B. J. MCGINN  
A. E. COTTERELL

CHARLES W. GOETCHIUS  
*Secretary-Treasurer*

A. A. NELSON  
*Comptroller*









REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1929





BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

CHARLES H. ALLEN  
JOHN ANDERSON  
EDWIN L. BLABON  
A. J. BROSSAU  
R. R. BROWN  
NEWCOMB CARLTON  
CLARENCE E. CHAPMAN  
DELOS W. COOKE  
T. JEFFERSON COOLIDGE  
RICHARD DELAFIELD  
C. G. DU BOIS  
W. N. DYKMAN  
WALTER E. FREW  
ARCHIBALD R. GRAUSTEIN  
F. COIT JOHNSON  
WALTER KASTEN  
JOHN L. KEMMERER  
F. M. KIRBY  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
EDWARD E. LOOMIS  
L. F. LOREE  
JEREMIAH T. MAHONEY  
THOS. N. McCARTER  
RICHARD B. MELLON

JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
ANDREW MILLS  
J. R. MORRON  
ALEXANDER NEW  
SEWARD PROSSER  
JOHN J. RASKOB  
ANDREW W. ROBERTSON  
LINDSAY RUSSELL  
CHARLES M. SCHWAB  
JOHN SHERWIN  
WILLIAM SKINNER  
FREDERICK P. SMALL  
R. A. C. SMITH  
VALENTINE P. SNYDER  
JOSEPH B. TERBELL  
ARTHUR W. THOMPSON  
LANDON K. THORNE  
L. A. WATRES  
F. EDSON WHITE  
WILLIAM WHITING  
ALBERT H. WIGGIN  
BENJAMIN L. WINCHELL  
BRONSON WINTHROP  
WILLIAM H. WOODIN

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*President*

A. F. LAFRENTZ  
*First Vice-President*

### *Vice-Presidents*

RICHARD DEMING  
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D. H. COOK  
W. E. MCKELL  
C. E. MILLEN  
G. L. NAUGHT  
B. J. MCGINN  
A. E. COTTERELL

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

S. C. HEMSTREET  
*Secretary*

A. A. NELSON  
*Comptroller*

January 21, 1930.

TO THE BOARD OF TRUSTEES:

The results of the operations of our Company for the year ended December 31, 1929 (being the forty-sixth year of its operations), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$10,060,807.99	(Increase \$143,236.25)
From Dividends, Interest and Rents, less Operating Cost...	1,592,913.34	(Increase \$353,554.37)
INCOME.....	\$11,653,721.33	
OUTGO:		
For Expenses.....	\$ 5,827,780.53	(Increase \$161,674.53)
For Taxes.....	488,612.27	(Decrease \$ 4,160.41)
For Gross Losses..	\$4,437,818.53	(Increase \$683,878.13)
Less Cash Salvage of	1,233,397.40	(Increase \$ 12,744.53)
Net Losses.....	3,204,421.13	(Increase \$671,133.60)
OUTGO.....	\$ 9,520,741.93	
EXCESS OF INCOME OVER OUTGO.....		\$2,132,979.40
(Decrease \$331,857.10)		
Add Profit on Securities Sold.....	\$ 276,914.23	
Appreciation on Securities Unsold.....	23,696.29	
Depreciation taken prior to Jan. 1, 1929, on securities sold during this period.....	17,576.80	318,187.32
		\$2,451,166.72
Transferred to:		
Reserve for Refunds.....	\$ 10,908.11	
Reserve for Unearned Premiums	103,083.41	
Reserve for Expenses and Taxes	5,057.98	
Reserve for Depreciation of Building.....	100,000.00	
Statutory Loss Reserve.....	45,000.00	
	\$ 264,049.50	
Less Decrease in Overdue Premium Reserve.....	50,000.00	214,049.50
Balance for Final Disposition.....		\$2,237,117.22
Dividends Paid.....	\$ 1,500,000.00	
Less Dividends on fractional Script Certificates.....	88.50	1,499,911.50
Added to Surplus.....		\$ 737,205.72

Amount Added to Surplus (brought forward) . . . . .	\$	737,205.72	
Surplus Paid In in connection with Increase of Capital Stock . . .		3,000,000.00	
			<u>\$3,737,205.72</u>
Less Expenses and Taxes in connection with Increase of Capital Stock . . . . .	\$	35,106.02	
Amount transferred to Voluntary Special Reserve . . . . .		<u>1,400,000.00</u>	
			<u>1,435,106.02</u>
INCREASE IN SURPLUS . . . . .	\$	<u>3,302,099.70</u>	

The Financial Statement shows that the total value of the Company's assets December 31, 1929, was \$30,345,414.54 compared with \$23,628,273.27 at the end of the preceding year. The increase of \$6,717,141.27 represents the investment of funds arising from the increase during the year of the Company's capital from \$5,000,000 to \$7,500,000, and the investment of reserves and undivided profits which were left in the business from the year's operations after the payment of \$1,500,000 in dividends.

In connection with the increase of its capital the Company has acquired 59,969 of the 60,000 total outstanding shares of the New York Casualty Company. Of the stock thus acquired, 180 shares have been set aside for the qualification of Directors. Our plans contemplate the continued operation of the New York Casualty Company as a separate entity, so as to preserve its organization for the production and transaction of business. The activities of the two companies are, however, being unified and coordinated.

The real estate item of \$8,406,069.17 represents the cost of the Company's unencumbered Home Office Building at 100 Broadway, New York City, less depreciation at the rate of \$100,000 per annum. The Company occupies five stories of this building, for the use of which space it charges itself at the market rental-rate. All of the remaining space is advantageously rented.

The Securities item of \$17,042,439.82 represents investments of the Company in stocks and bonds at their market value (except stocks of subsidiary companies) December 31, 1929. The stocks of subsidiary companies are carried at par or cost, being in each instance less than book value. Notwithstanding the severe decline in security values during the latter part of the



year, the market value December 31, 1929, as above, of the Company's security investments, exclusive of stocks of subsidiary companies, was \$853,179.53 in excess of their cost. This appreciation is included in the value of securities as above.

Against Premiums in Course of Collection amounting to \$2,154,423.89 a Reserve of \$400,000 is carried in liabilities for items which are due for more than ninety days and which are disallowed as an asset, notwithstanding that many of these items are good.

The Reserve for Unearned Premiums of \$7,047,469.88 represents, as its name implies, the unearned premiums on bonds and policies in force.

The Claim Reserve of \$4,210,703.52 is considered ample for the discharge of the Company's liability in all cases of default that have been reported under its bonds, and includes a special reserve in the sum of \$1,000,000 to cover the Company's estimated liability on unreported losses.

The Reserve for Expenses and Taxes of \$1,111,997.14 is considered sufficient to meet all accrued Federal, State and local taxes; all items in transit between Branch Offices and the Home Office; and all accrued expenses.

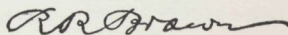
The year's investment income of \$1,592,913.34, subject only to a deduction of \$100,000 for depreciation of the Company's building, exceeded by \$92,913.34 the total dividend payments of \$1,500,000 for the year.

The Voluntary Special Reserve for any contingencies that may arise was increased \$1,400,000 during the year and now stands at \$1,500,000.

The Company has enlarged the scope of its activities so as to include general casualty lines from July 1, 1929. It is expected that these lines will produce substantially increased volumes of premiums in 1930 and succeeding years.

I unreservedly commend the members of our Home Office and Field forces for the exceptionally able manner in which they have carried into effect the sound administrative policies of this Board, and I express to the members of the Board my appreciation of their wise counsel and generous aid in all matters pertaining to the Company's welfare.

Respectfully submitted,



President.



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1929	1928	Increase	Decrease
Real Estate.....	\$ 8,406,069.17	\$ 8,539,224.99	\$	\$ 133,155.82
Bonds.....	5,752,560.00	7,207,377.50		1,454,817.50
Stocks.....	11,289,879.82	4,445,787.50	6,844,092.32	
Premiums in Course of Collection.....	2,154,423.89	2,106,031.17	48,392.72	
Cash in Banks and Offices.....	2,551,901.79	1,173,725.15	1,378,176.64	
Reinsurance and other Accounts Receivable	102,020.89	57,659.68	44,361.21	
Interest and Rents Receivable.....	88,558.98	98,467.28		9,908.30
	<hr/> \$30,345,414.54	<hr/> \$23,628,273.27	<hr/> \$6,717,141.27	

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 5,000,000.00	\$2,500,000.00	\$
Surplus and Undivided Profits.....	8,329,930.91	6,027,831.21	2,302,099.70	
Voluntary Special Reserve.....	1,500,000.00	100,000.00	1,400,000.00	
Reserve for Unearned Premiums.....	7,047,469.88	6,944,386.47	103,083.41	
Reserve for Contingent Claims.....	4,210,703.52	3,785,094.04	425,609.48	
Reserve for Outstanding Premiums.....	400,000.00	450,000.00		50,000.00
Reserve for Expenses and Taxes.....	1,111,997.14	1,110,724.92	1,272.22	
Reinsurance and other Accounts Payable....	245,313.09	210,236.63	35,076.46	
	<hr/> \$30,345,414.54	<hr/> \$23,628,273.27	<hr/> \$6,717,141.27	

[ page six ]

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1929

## RESOURCES

Real Estate .....		\$ 8,406,069.17
Securities at Market Value:		
Bonds .....	\$ 5,752,560.00	
*Stocks .....	11,289,879.82	17,042,439.82
		<hr/>
Premiums in Course of Collection .....		2,154,423.89
Cash in Banks and Offices .....		2,551,901.79
Reinsurance Receivable .....		102,020.89
Accrued Interest Receivable .....		88,558.98
		<hr/>
		\$30,345,414.54

## LIABILITIES

Capital Stock .....	\$ 7,500,000.00	
Surplus and Undivided Profits .....	\$8,329,930.91	
Voluntary Special Reserve .....	1,500,000.00	9,829,930.91
		<hr/>
Reserve for Unearned Premiums .....		7,047,469.88
Reserve for Contingent Claims .....		4,210,703.52
Reserve for Outstanding Premiums .....		400,000.00
Reserve for Expenses and Taxes .....		1,111,997.14
Reinsurance and Other Accounts Payable .....		245,313.09
		<hr/>
		\$30,345,414.54

\* At Market Values with exception of stocks of subsidiary companies which are carried at par or cost being in each instance less than book value.

## GENERAL INFORMATION

On the last day of 1929 there remained in force bonds carrying a liability of \$2,344,979.501.

There were presented to us during 1929:

6,758	Fidelity Claims
489	Official Claims
909	Court, Contract and Depository Claims
1,125	Burglary Insurance Claims
359	Forgery Claims
744	Plate Glass Claims
324	Other Casualty Claims

Making a total of 10,708 (An increase of 1,463 as compared with 1928).

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums—	{	Year 1929 . . .	27.70
	{	Entire Period . .	25.32
Burglary and Forgery Claims Paid to Net Premiums—	{	Year 1929 . . .	33.80
	{	Entire Period . .	34.28
Plate Glass Claims Paid to Net Premiums— . . .	{	Year 1929 . . .	28.93
	{	Entire Period . .	22.38
Other Casualty Claims Paid to Net Premiums— . . .		Year 1929 . . .	2.64

We are represented in this country by 40 Branch Office Managers, and 14,781 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$147,842,694.07
Its Net Paid Losses were . . . . .	38,187,803.57
And its Expenses . . . . .	86,907,990.29
Leaving an excess from underwriting, subject to Reserves, of . . . . .	22,746,900.21

Which is equivalent to 15.39% of the Net Premium Income.

Our Stockholders have received in Cash Dividends . . . . . \$ 18,537,411.50

AMERICAN SURETY COMPANY OF NEW YORK  
 AMSUCO SECURITIES COMPANY  
 THE CANADIAN SURETY COMPANY  
 COMPANIA MEXICANA DE GARANTIAS, S. A.  
 CONSOLIDATED FINANCIAL STATEMENT DECEMBER 31, 1929

RESOURCES

Real Estate . . . . .	\$ 8,570,270.29
*Bonds, Stocks and Debentures at Market Value . . . . .	17,414,537.51
Premiums in Course of Collection . . . . .	2,244,075.14
Cash . . . . .	2,756,704.15
Mortgage and other Secured Loans . . . . .	410,569.06
Reinsurance and other Accounts Receivable . . . . .	133,233.62
Interest and Rents Receivable . . . . .	113,473.98
	<hr/>
	\$31,642,863.75

LIABILITIES

Capital Stock (300,000 shares. Par Value \$25.00 per share) . . . . .	\$ 7,500,000.00
Surplus and Undivided Profits . . . . .	\$8,694,395.29
Voluntary Special Reserve . . . . .	1,530,000.00
Legal Fund Provision—Mexico . . . . .	38,500.00
	<hr/>
**Minority Interest in Subsidiary Companies . . . . .	122,585.89
Reserve for Unearned Premiums . . . . .	7,456,855.65
Reserve for Contingent Claims . . . . .	4,452,152.12
Reserve for Outstanding Premiums . . . . .	416,086.02
Reserve for Expenses and Taxes . . . . .	1,157,244.18
Reinsurance and other Accounts Payable . . . . .	275,044.60
	<hr/>
	\$31,642,863.75

\*Includes 59,789 shares of stock of the New York Casualty Company at \$996,682.63. The Balance Sheet of that Company as of November 30, 1929, will be found on Page 15.

\*\*Minority Interest in Subsidiary Companies consists of:  
 692 Shares Canadian Surety Company Stock  
 55 Shares Compania Mexicana de Garantias, S. A. Stock.



The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$522,452.23	(Increase \$57,315.65)
From Interest.....	51,715.37	(Increase \$10,802.43)
INCOME.....	\$574,167.60	
OUTGO:		
For Expenses.....	\$283,893.52	(Increase \$33,797.14)
For Taxes.....	8,515.08	(Decrease \$ 3,320.35)
For Gross Losses.....	\$232,894.32	(Increase \$24,870.70)
Less Cash Salvage of.....	33,397.11	(Decrease \$ 1,727.58)
Net Losses.....	199,497.21	(Increase \$26,598.28)
OUTGO.....	\$491,905.81	
EXCESS OF INCOME OVER OUTGO.....		\$82,261.79
(Increase \$11,043.01)		
Deduct Decrease in Value of Securities Unsold.....		10,287.54
		\$71,974.25
Transferred to :		
Reserve for Unearned Premiums .....	\$ 28,024.12	
Reserve for Expenses and Taxes.....	5,051.55	
	33,075.67	
Less Decrease in Reserve for Outstand- ing Premiums.....	3,878.43	29,197.24
Balance for Final Disposition.....		\$42,777.01
Dividends Paid.....		41,000.00
Added to Surplus.....		\$ 1,777.01
Surplus Paid In in connection with Increase of Capital Stock.....		100,000.00
INCREASE IN SURPLUS.....		\$101,777.01



## THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1929

### RESOURCES

Bonds and Debentures at Market Value . . . . .	\$1,175,248.25
Premiums in Course of Collection . . . . .	62,446.14
Cash in Banks and Offices . . . . .	56,020.45
Reinsurance Receivable . . . . .	11,418.41
Interest Receivable . . . . .	16,449.78
	<hr/>
	\$1,321,583.03

### LIABILITIES

Capital Stock (5000 shares. Par Value \$100.00 per share) . . . . .	\$	500,000.00
Surplus and Undivided Profits . . . . .	\$354,622.41	
Voluntary Special Reserve . . . . .	30,000.00	384,622.41
	<hr/>	
Reserve for Unearned Premiums . . . . .	239,516.80	
Reserve for Contingent Claims . . . . .	138,859.62	
Reserve for Outstanding Premiums . . . . .	16,086.02	
Reserve for Expenses and Taxes . . . . .	25,547.79	
Reinsurance Payable . . . . .	16,950.39	
	<hr/>	
		\$1,321,583.03

NOTE: American Surety Company of New York owns 4242 of the 5000 shares of capital stock of this Company, and carries the same at \$120.00.

The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$290,350.80	(Increase \$55,336.27)
From Interest and Dividends.....	42,026.22	(Increase \$ 1,998.57)
	<hr/>	
INCOME.....	\$332,377.02	
OUTGO:		
For Expenses and Taxes.....	\$105,160.71	(Increase \$ 7,637.06)
For Gross Losses.....	\$166,477.20	(Increase \$20,977.72)
Less Cash Salvage of.....	34,756.17	(Increase \$ 6,142.04)
	<hr/>	
Net Losses.....	131,721.03	(Increase \$14,835.68)
	<hr/>	
OUTGO.....	\$236,881.74	
EXCESS OF INCOME OVER OUTGO.....		\$95,495.28
(Increase \$34,862.10)		
Deduct Decrease in Value of Securities Unsold.....	\$ 22,249.25	
Less Profit on Securities Sold.....	2,017.00	20,232.25
	<hr/>	
		\$75,263.03
Transferred to:		
Reserve for Unearned Premiums.....	\$ 36,451.44	
Reserve for Expenses and Taxes.....	1,064.76	37,516.20
	<hr/>	
Balance for Final Disposition.....		\$37,746.83
Dividends Paid.....	\$ 25,000.00	
Legal Fund Provision.....	8,500.00	33,500.00
	<hr/>	
ADDED TO SURPLUS.....		<u>\$ 4,246.83</u>

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States)

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1929

(Converted into United States Currency, in the ratio of Two Pesos, Mexican, to One Dollar, United States)

RESOURCES

Real Estate . . . . .	\$164,201.12
Bonds and Stocks at Market Value . . . . .	283,098.56
Premiums in Course of Collection . . . . .	27,205.11
Cash in Banks and Office . . . . .	64,944.42
Cash Deposits under Law . . . . .	54,500.00
Mortgage Loans . . . . .	112,976.40
Reinsurance and other Accounts Receivable . . . . .	19,794.32
Interest Receivable . . . . .	8,465.22
	<hr/>
	\$735,185.15

LIABILITIES

Capital Stock (5000 shares. Par Value \$50.00 per share) . . . . .	\$250,000.00
Surplus and Undivided Profits . . . . .	\$141,746.83
Legal Fund Provision . . . . .	38,500.00
	<hr/>
Reserve for Unearned Premiums . . . . .	169,868.97
Reserve for Contingent Claims . . . . .	102,588.98
Reserve for Expenses and Taxes . . . . .	19,699.25
Reinsurance and other Accounts Payable . . . . .	12,781.12
	<hr/>
	\$735,185.15

NOTE: American Surety Company of New York owns 4945 of the 5000 shares of capital stock of this Company, and carries the same at par.

The revenue accounts of THE AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . . \$24,563.12

OUTGO:

For Expenses and Interest . . . . . \$ 1,481.44  
For Taxes . . . . . 4,680.07      6,161.51

EXCESS OF INCOME OVER OUTGO . . . . . \$18,401.61

Deduct Decrease in Value of Securities Unsold . . . . . \$32,512.50  
Less Profit on Securities Sold . . . . . 299.52

Dividends Paid . . . . . \$32,212.98  
10,000.00      42,212.98

DEDUCTED FROM SURPLUS . . . . . \$23,811.37

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1929

### RESOURCES

Bonds and Stocks at Market Value . . . . . \$254,756.70  
Cash in Banks . . . . . 29,337.49  
Mortgage and other Secured Loans . . . . . 297,592.66  
\$581,686.85

### LIABILITIES

Capital Stock (11,500 shares. Par Value \$50.00 per share) . . . . . \$575,000.00  
Surplus . . . . . 6,686.85  
\$581,686.85

595 shares of stock of the American Surety Company, representing the stock not used in exchange for New York Casualty Company stock, purchased by the Amsuco Securities Company, are not included in the foregoing statement.

NOTE: American Surety Company of New York owns all of the capital stock of this Company and carries the same at par.



# NEW YORK CASUALTY COMPANY

## FINANCIAL STATEMENT, NOVEMBER 30, 1929

Control of the New York Casualty Company was acquired by the American Surety Company of New York as of July 1, 1929. The following is the latest available financial statement of that Company at the time of the compilation of this Annual Report.

### RESOURCES

Bonds and Stocks at Market Value . . . . .	\$4,864,195.00	
Guaranteed Mortgages . . . . .	<u>1,032,500.00</u>	\$5,896,695.00
Premiums in Course of Collection . . . . .		852,305.86
Cash in Banks and Offices . . . . .		150,971.48
Reinsurance and other Accounts Receivable . . . . .		8,256.88
Interest Receivable . . . . .		<u>44,376.38</u>
		\$6,952,605.60

### LIABILITIES

Capital Stock (60,000 shares. Par Value \$25.00 per share) . . . . .		\$1,500,000.00
Surplus and Undivided Profits . . . . .	\$1,892,522.52	
Voluntary Special Reserve . . . . .	<u>300,000.00</u>	2,192,522.52
Reserve for Unearned Premiums . . . . .		1,522,646.58
Reserve for Contingent Claims . . . . .		1,209,510.60
Reserve for Outstanding Premiums . . . . .		273,298.44
Reserve for Expenses and Taxes . . . . .		<u>254,627.46</u>
		\$6,952,605.60

NOTE: American Surety Company of New York owns 59,789 of the 60,000 shares of capital stock of this Company, and carries the same at \$16.67 per share.



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	MARKET VALUE
\$ 693,000	U. S. of America 4th Liberty Loan (Registered) 4¼%, 1938.....	\$ 702,961.88
107,000	U. S. of America 4th Liberty Loan (Coupon) 4¼%, 1938.....	108,404.37
<hr/> \$ 800,000		<hr/> \$ 811,366.25

## STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS

\$ 50,000	City of Montreal (Maisonneuve) 5½%, 1930.....	\$ 49,750.00
500,000	City of New York Exempt Corporate Stock (Reg.) 4%, 1977.....	472,500.00
25,000	City of Toronto Consolidated Loan Deb. 5%, 1930.....	24,875.00
20,000	City of Winnipeg, Dominion of Canada Cons. Deb. 5%, 1943.....	19,400.00
50,000	Dominion of Canada 10 yr. 4½%, 1936.....	48,875.00
50,000	N. Y. State Canal Improvement (Reg.) 3%, 1958.....	43,500.00
10,000	Porto Rico Gold Loan of 1915 (Reg.) 4%, 1956.....	9,300.00
<hr/> \$ 705,000		<hr/> \$ 668,200.00

## RAILROAD BONDS

\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. (Reg.) 4%, 1939.....	\$ 43,000.00
20,000	Atlantic Coast Line R. R. Co. Equip. Trust Series "E" 4½%, 1930.....	19,900.00
25,000	Baltimore & Ohio R. R. Co. Equip. Trust Series "B" 4½%, 1930.....	24,875.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen'l Mtge. Series "D" 5%, 2000.....	50,625.00
100,000	Canadian National Ry. Co. 5 year Guaranteed 4½%, 1930.....	99,750.00
100,000	Canadian National Ry. Co. 30 year Guaranteed 4½%, 1957.....	94,000.00
100,000	Canadian Northern Ry. Co. 10 year Guaranteed 4½%, 1935.....	99,000.00
100,000	Canadian Northern Ry. (Winnipeg Terminals) 4%, 1939.....	88,000.00
50,000	Chesapeake & Ohio Ry. Co. 20 year Convertible 4½%, 1930.....	49,937.50
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934.....	47,812.50
100,000	Chicago, St. Paul, Minneapolis & Omaha Ry. Co. Deb. 5%, 1930.....	99,875.00
50,000	Chicago Union Station Co. 1st Mortgage Series "B" 5%, 1963.....	52,125.00
480,000	Chicago & North Western Ry. Co. 20 year Conv. 4¾%, 1949.....	480,000.00
49,000	Cleveland Union Term. Co. First Mtge. S. F. Series "A" 5½%, 1972.....	52,368.75
50,000	Erie R. R. Co. First Consolidated General Lien 4%, 1996.....	43,312.50

PAR VALUE	RAILROAD BONDS—Continued	MARKET VALUE
\$ 25,000	Eric & Jersey R. R. Co. First Mtge. 50 year Sinking Fund 6%, 1955	\$ 27,687.50
50,000	Great Northern Ry. Co. General Mtge. Series "A" 7%, 1936.....	55,000.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mtge. 5%, 1950.....	24,750.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977..	198,000.00
50,000	Pennsylvania R. R. Co. 40 year Secured 5%, 1964.....	51,750.00
25,000	St. Louis Southwestern Ry. Co. 1st Cons. Mtge. 4%, 1932.....	24,343.75
10,000	Southern Pacific Co. Equip. Trust Cfs. Series "H" 4½%, 1930....	9,950.00
200,000	Southern Pacific Co. 40 year (With Warrants) 4½%, 1969.....	196,750.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	44,562.50
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Ser. "A" 5½%, 1950.....	25,750.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	50,687.50
50,000	Wabash Ry. Co. Ref. & General Mortgage Series "B" 5%, 1976..	49,875.00
<hr/> \$2,134,000		<hr/> \$2,103,687.50

#### PUBLIC UTILITY BONDS

\$ 50,000	American Telephone & Telegraph Co. 35 yr. S. F. Deb. 5%, 1960..	\$ 51,750.00
100,000	Brooklyn Manhattan Transit Corp. 3 year Secured 6½%, 1932....	97,250.00
125,000	Brooklyn Manhattan Transit Corp. Rapid Transit Security Sinking Fund Series "A" 6%, 1968.....	118,125.00
100,000	Consolidated Gas Co. of N. Y. 20 year Debenture 5½%, 1945.....	105,000.00
50,000	Duquesne Light Co. 1st Mtge. Series "A" 4½%, 1967.....	49,500.00
25,000	Milwaukee Gas Light Co. 1st Mtge. 4½%, 1967.....	24,000.00
100,000	New York Edison Co. 1st Lien & Ref. Mtge. Series "B" 5%, 1944..	103,000.00
100,000	New York Gas & Elec. Lgt., Heat & Pwr. Co. 1st Mtge. 5%, 1948	104,750.00
34,000	New York Telephone Co. 30 year Sinking Fund Deb. 6%, 1949....	37,400.00
100,000	Western Union Telegraph Co. 25 year 5%, 1951.....	101,875.00
<hr/> \$ 784,000		<hr/> \$ 792,650.00

PAR VALUE	MISCELLANEOUS BONDS	MARKET VALUE
\$ 100,000	Abraham & Straus Inc. 15 year Deb. $5\frac{1}{2}\%$ , 1943.....	\$ 99,500.00
50,000	Allis Chalmers Manufacturing Co. 10 year Deb. $5\%$ , 1937.....	49,625.00
200,000	American International Corp. Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	191,500.00
100,000	American Sugar Refining Co. 15 year $6\%$ , 1937.....	103,000.00
100,000	Armour & Co. of Delaware 1st Mtge. 20 year Guar. Ser. "A" $5\frac{1}{2}\%$ , 1943.....	82,500.00
100,000	Canadian International Paper Co. 1st Mtge. $6\%$ , 1949.....	89,000.00
50,000	Chicago Pneumatic Tool Co. 15 year S. F. Deb. $5\frac{1}{2}\%$ , 1942.....	47,750.00
100,000	Commercial Investment Trust Corp. Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	83,500.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "17" $4\frac{1}{2}\%$ , 1930.....	24,875.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" $4\frac{1}{2}\%$ , 1932.....	24,375.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" $4\frac{1}{2}\%$ , 1933.....	24,187.50
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" $4\frac{1}{2}\%$ , 1934.....	24,000.00
25,000	General American Tank Car Corp. Equip. Tr. Ser. "19" $4\frac{1}{2}\%$ , 1935.....	23,812.50
50,000	General Cable Corp. 1st Mtge. S. F. Series "A" $5\frac{1}{2}\%$ , 1947.....	49,500.00
15,000	General Motors Acceptance Corp. Notes Series "D" $5\%$ , 1930.....	14,943.75
10,000	General Motors Acceptance Corp. Notes Series "E" $5\%$ , 1931.....	9,875.00
25,000	General Motors Acceptance Corp. Notes Series "H" $5\%$ , 1934.....	24,000.00
25,000	General Motors Acceptance Corp. Notes Series "I" $5\%$ , 1935.....	23,750.00
50,000	Inspiration Consolidated Copper Co. 5 year Notes $6\frac{1}{2}\%$ , 1931.....	50,062.50
200,000	Texas Corporation Conv. S. F. Deb. $5\%$ , 1944.....	202,750.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1930.....	4,950.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1931.....	4,900.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1932.....	4,862.50
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1933.....	4,825.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1934.....	4,775.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1935.....	4,750.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1936.....	4,712.50
100,000	Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" $5\%$ , 1978.....	100,375.00
<hr/> \$1,435,000		<hr/> \$1,376,656.25



PAR VALUE	RAILROAD STOCKS	MARKET VALUE
3,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Non-Cum. Pfd. ....	\$ 307,500.00
1,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Common .....	221,000.00
1,000 Shares	Baltimore & Ohio R. R. Co. Non-Cum. Pfd. ....	79,500.00
2,000 Shares	Baltimore & Ohio R. R. Co. Common .....	232,000.00
1,000 Shares	Chicago, Rock Island & Pacific Railway Co. Pfd. ....	100,500.00
2,000 Shares	Chicago & North Western Railway Co. Common .....	168,500.00
2,000 Shares	Delaware, Lackawanna & Western R. R. Co. ....	282,000.00
3,000 Shares	Erie R. R. Co. Non-Cum. First Pfd. ....	186,000.00
2,000 Shares	Hudson & Manhattan R. R. Co. Common .....	92,750.00
3,000 Shares	New York Central R. R. Co. (with rights) .....	526,875.00
69 Shares	New York Central R. R. Co. (ex-rights) .....	11,747.25
3 Rights	New York Central R. R. Co. ....	16.12
1,000 Shares	N. Y., N. H., & H. R. R. Co. Cum. Pfd. ....	124,250.00
3,000 Shares	N. Y., N. H., & H. R. R. Co. Common .....	333,000.00
2,000 Shares	Northern Pacific Railway Co. Common .....	168,500.00
5,000 Shares	Pennsylvania R. R. Co. (with rights) .....	386,250.00
2,000 Shares	Reading Co. Common .....	246,000.00
2,000 Shares	St. Louis-San Francisco Railway Co. Common .....	215,250.00
2,000 Shares	Southern Pacific Co. Common .....	248,000.00
4,000 Shares	Southern Railway Co. Non-Cum. Pfd. ....	384,500.00
4,000 Shares	Southern Railway Co. Common .....	544,000.00
1,000 Shares	Texas & Pacific Railway Co. Common .....	119,750.00

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\$4,977,888.37

#### PUBLIC UTILITY STOCKS

1,000 Shares	Allied Power & Light Corp. Cum. First Pfd. ....	\$ 75,000.00
1,000 Shares	American Pwr. & Lgt. Co. \$5 Cum. Pfd. Ser. "A" Unstamped ..	74,375.00
4,000 Shares	Consolidated Gas Co. of N. Y. Cumulative Pfd. ....	398,500.00
2,000 Shares	Consolidated Gas Co. of N. Y. Common .....	200,000.00
1,000 Shares	Duquesne Light Co. Cum. First Pfd. ....	99,000.00
1,400 Shares	Engineers Public Service Co. Convertible Pfd. ....	130,200.00
1,000 Shares	New York Telephone Co. Cum. Pfd. ....	113,500.00
1,000 Units	The United Corporation .....	79,000.00

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\$1,169,575.00

#### BANK AND TRUST COMPANY STOCKS

7,032 Shares	Chase National Bank and Chase Securities Corp. of New York ..	\$1,082,928.00
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PAR VALUE	MISCELLANEOUS STOCKS	MARKET VALUE
1,000 Shares	Allied Chemical & Dye Co. Cum. Pfd.....	\$ 121,000.00
500 Shares	American Ice Co. Non-Cum. Pfd.....	42,500.00
1,000 Shares	American Locomotive Co. Cum. Pfd.....	113,000.00
500 Shares	American Sugar Refining Co. Cum. Pfd.....	52,000.00
1,000 Shares	E. I. du Pont de Nemours & Co. Cum. Non-Voting Deb.....	117,000.00
2,000 Shares	General Motors Corp. Pfd.....	240,000.00
1,000 Shares	General Realty & Utilities Corp. (\$6 Optional Stock Dividend Series with warrants).....	68,500.00
2,500 Shares	Kennecott Copper Corp.....	145,000.00
2,000 Shares	Pullman Inc.....	168,000.00
3,000 Shares	Tri-Continental Corp. Cum. Pfd.....	237,000.00
2,500 Shares	United States Steel Corp. Common.....	427,500.00
		<hr/>
		\$1,731,500.00
	STOCKS OF AFFILIATED COMPANIES	
11,500 Shares	Amsuco Securities Company.....	\$ 575,000.00
4,242 Shares	Canadian Surety Company.....	509,055.82
4,945 Shares	Compania Mexicana de Garantias S. A.....	247,250.00
59,789 Shares	New York Casualty Company.....	996,682.63
		<hr/>
		\$2,327,988.45
	RECAPITULATION	
\$ 800,000	U. S. Government Bonds.....	\$ 811,366.25
705,000	State, County, Province and Municipal Bonds.....	668,200.00
2,134,000	Railroad Bonds.....	2,103,687.50
784,000	Public Utility Bonds.....	792,650.00
1,435,000	Miscellaneous Bonds.....	1,376,656.25
		<hr/>
\$5,858,000	Total of Bonds.....	\$5,752,560.00
	Railroad Stocks.....	\$4,977,888.37
	Public Utility Stocks.....	1,169,575.00
	Bank and Trust Company Stocks.....	1,082,928.00
	Miscellaneous Stocks.....	1,731,500.00
	Stocks of Affiliated Companies.....	2,327,988.45
		<hr/>
	Total of Stocks.....	\$11,289,879.82
		<hr/>
	GRAND TOTAL OF BONDS AND STOCKS.....	\$17,042,439.82



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	MARKET VALUE
\$ 15,000.00	Dominion of Canada Victory Loan, 5½%, 1932.....	\$15,150.00
45,000.00	Dominion of Canada Victory Loan, 5½%, 1934.....	45,450.00
25,000.00	Canadian National Railway Guaranteed by Dominion of Canada, 5%, 1969.....	25,500.00
5,000.00	Canadian National Railway Equipment Guaranteed by Dominion of Canada, 5%, 1939.....	5,000.00
15,000.00	Canadian National Railway Guaranteed by Dominion of Canada, 5%, 1935.....	15,000.00
15,000.00	Grand Trunk Railway Guaranteed by Dominion of Canada, 6%, 1936..	15,600.00
5,000.00	Province of Alberta, 4½%, 1956.....	4,700.00
2,000.00	Province of Manitoba Drainage District, 4%, 1930.....	2,000.00
2,000.00	Province of Manitoba Drainage District, 4%, 1933.....	1,940.00
10,000.00	Province of New Brunswick, 5%, 1959.....	10,100.00
5,000.00	Province of New Brunswick, 6%, 1930.....	5,000.00
10,000.00	Province of New Brunswick, 3%, 1939.....	8,600.00
10,000.00	Province of Ontario, 6%, 1935.....	10,400.00
25,000.00	Province of Ontario, 5%, 1959.....	25,500.00
4,399.47	Toronto Power Company Guaranteed by Hydro-Electric Power Com- mission and Province of Ontario, 4½%, 1941 or earlier.....	4,223.49
10,000.00	Hydro-Electric Power Commission of Ontario Guaranteed by Province of Ontario, 6%, 1941.....	10,800.00
25,000.00	Hydro-Electric Power Commission of Ontario Guaranteed by Province of Ontario, 4%, 1957.....	21,500.00
5,000.00	Province of Quebec, 4½%, 1946.....	4,850.00
5,000.00	Province of Saskatchewan, 6%, 1936.....	5,250.00
25,000.00	Kingdom of Norway, 5%, 1963.....	24,000.00
<hr/> \$263,399.47		<hr/> \$260,563.49

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.....	\$ 9,500.00
10,000.00	City of Brandon, Manitoba, 5%, 1933.....	9,900.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.....	2,020.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	1,900.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,000.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 1,000.00	City of Edmonton, Alberta, 5%, 1933.....	\$ 990.00
10,000.00	City of Edmonton, Alberta, 4%, 1945.....	8,700.00
973.33	City of Calgary, Alberta, 4½%, 1941.....	914.93
2,433.32	City of Calgary, Alberta, 4½%, 1942.....	2,287.32
2,433.33	City of Calgary, Alberta, 5%, 1943.....	2,384.66
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	1,860.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.....	3,680.00
5,000.00	City of Galt, Ontario, 5½%, 1936.....	5,050.00
5,000.00	City of Galt, Ontario, 5%, 1937.....	4,950.00
4,014.75	City of Guelph, Ontario, 5%, 1932.....	4,014.75
6,000.00	City of Halifax, Nova Scotia, 6%, 1931.....	6,060.00
5,000.00	City of Halifax, Nova Scotia, 5%, 1961.....	4,900.00
10,000.00	City of Hamilton, Ontario, 5%, 1938-39.....	10,000.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	1,790.93
10,000.00	City of Kitchener, Ontario, 4½%, 1937.....	9,600.00
10,000.00	Montreal Metropolitan Commission, 5%, 1966.....	10,000.00
23,058.31	City of Niagara Falls, Ontario, 5½%, 1929-38.....	23,288.89
10,000.00	City of North Bay, Ontario, 5%, 1938-41.....	9,800.00
2,000.00	City of North Bay, Ontario, 5%, 1942-43.....	1,940.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,420.00
730.05	City of Oshawa, Ontario, 6%, 1931.....	737.35
1,337.45	City of Oshawa, Ontario, 6%, 1930.....	1,337.45
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	4,950.00
2,000.00	City of Oshawa, Ontario, 5½%, 1946.....	2,080.00
10,000.00	City of Peterborough, Ontario, 4¼%, 1939.....	9,300.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	2,970.00
2,000.00	City of Port Arthur, Ontario, 5%, 1937.....	1,980.00
7,000.00	City of Portage Industrial Exhibition Guaranteed by City of Portage la Prairie, Manitoba, 5%, 1934.....	6,930.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	5,150.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	4,600.00
5,700.00	City of Stratford, Ontario, 4½%, 1932.....	5,643.00
4,000.00	City of St. Catharines, Ontario, 4%, 1935.....	3,800.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	13,650.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,040.00
5,000.00	City of Toronto, Ontario, 6%, 1935.....	5,200.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$15,000.00	City of Toronto, Ontario, 5%, 1945.....	\$15,150.00
50,000.00	City of Toronto, Ontario, 6%, 1945.....	55,000.00
14,600.00	City of Toronto, Ontario, 4%, 1948.....	13,140.00
13,000.00	City of Toronto, Ontario, 5%, 1953.....	13,130.00
10,000.00	Toronto Harbor Commission Guaranteed by City of Toronto, 4½%, 1953 or earlier.....	9,400.00
9,733.33	City of Victoria, B. C., 4%, 1936.....	9,149.34
15,000.00	City of Victoria, B. C., 5½%, 1941.....	15,450.00
1,000.00	City of Victoria, B. C., 5½%, 1941.....	1,030.00
1,000.00	City of Victoria, B. C., 5½%, 1945.....	1,030.00
1,703.33	City of Winnipeg, Manitoba Registered Stock, 4½%, 1943-63.....	1,533.00
9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946-49.....	10,339.82
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,160.00
3,000.00	Town of Collingwood, Ontario, Guaranteed by County of Simcoe, On- tario, 5%, 1944.....	2,940.00
3,000.00	Town of Cornwall, Ontario, 5%, 1943.....	2,970.00
3,000.00	Town of Cornwall, Ontario, 5%, 1944.....	2,970.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945.....	3,960.00
10,000.00	Town of Dundas, Ontario, 5%, 1948-49.....	9,700.00
8,000.00	Town of Estevan, Saskatchewan, 5%, 1942-43.....	7,440.00
5,000.00	Town of Lindsay, Ontario, 5½%, 1934.....	5,050.00
3,000.00	Town of Neepawa, Manitoba, 6%, 1944.....	3,090.00
10,000.00	Town of Owen Sound, Ontario, 4½%, 1932.....	9,800.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937-41.....	1,858.46
6,000.00	Town of Sandwich, Ontario, 5½%, 1945.....	6,060.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940-42.....	6,760.52
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	16,320.00
2,464.54	Town of Smith's Falls, Ontario, 5½%, 1933-35.....	2,489.19
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	4,950.00
5,000.00	Town of Swift Current, Saskatchewan, 3%, 1937.....	2,750.00
1,793.52	Town of Watrous, Saskatchewan, 5½%, 1929-56.....	1,685.91
2,000.00	Town of Welland, Ontario, 5½%, 1934.....	2,020.00
6,145.49	Town of Weston, Ontario, 5%, 1947.....	6,084.04
10,000.00	County of Essex, Ontario, 5½%, 1936.....	10,200.00
8,000.00	County of Haldimand, Ontario, 5%, 1934-37.....	7,920.00
11,000.00	United Counties of Lennox and Addington, 4½%, 1935-39.....	10,560.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 7,000.00	County of Lincoln, Ontario, 5½%, 1942.....	\$ 7,280.00
5,000.00	County of Norfolk, Ontario, 5%, 1932.....	5,000.00
10,000.00	Township of Barton, Ontario, 5%, 1944.....	9,900.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49.....	6,860.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	5,150.00
2,000.00	Township of Esquimalt, B. C., 5%, 1963.....	1,880.00
7,000.00	Township of Richmond, B. C., 4½%, 1959.....	6,230.00
5,000.00	Township of Scarboro, Ontario, 5%, 1942.....	4,900.00
4,000.00	Township of York, Ontario, 6%, 1931.....	4,040.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956.....	837.00
5,000.00	Greater Winnipeg Water District, 6%, 1940.....	5,350.00
7,000.00	District of North Vancouver, 5%, 1960.....	6,720.00
<hr/>		<hr/>
\$563,502.42		\$556,556.56

## SCHOOL BONDS

\$ 5,000.00	City of Hamilton, Ontario, Roman Catholic Separate School Board, 5%, 1949.....	\$ 4,900.00
10,346.29	St. Hyacinthe, Quebec School, 4½%, 1953-60.....	9,208.20
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943.....	6,580.00
7,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-53.....	7,490.00
5,000.00	Roman Catholic School, Toronto, Ontario, 5%, 1945.....	4,950.00
<hr/>		<hr/>
\$ 34,346.29		\$33,128.20

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Co., Toronto, 5½%, 1930.....	\$10,000.00
5,000.00	Canada Permanent Trust Co., Toronto, 5½%, 1930.....	5,000.00
20,000.00	Canada Permanent Trust Co., Toronto, 5¼%, 1930.....	20,000.00
15,000.00	Canada Permanent Trust Co., Toronto, 5¼%, 1934.....	15,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1930.....	30,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1934.....	20,000.00
10,000.00	National Trust Company, Limited, Toronto, 5¼%, 1934.....	10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 5½%, 1930.....	5,000.00
20,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1930.....	20,000.00
25,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1934.....	25,000.00
5,000.00	Union Trust Company, 5%, 1934.....	5,000.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	MARKET VALUE
\$ 10,000.00	Abitibi Power & Paper Company, 1st Mortgage, 5%, 1953 .....	\$ 8,500.00
10,000.00	Canada Cement Company, Ltd., 1st Mortgage, 5½%, 1947 or earlier.	10,000.00
5,000.00	Canadian International Paper Company, 6%, 1949 .....	4,750.00
25,000.00	T. Eaton Realty Company, 5%, 1949 .....	23,750.00
35,000.00	Gatineau Power Company, 1st Mortgage, 5%, 1956 or earlier .....	33,250.00
10,000.00	Maple Leaf Milling Company, 5½%, 1949 .....	9,800.00
20,000.00	Massey-Harris Company Limited, Toronto, 5%, 1947 or earlier .....	18,800.00
10,000.00	Simpson's Limited, 6%, 1949 .....	10,000.00
5,000.00	United Gas & Fuel Company of Hamilton, Ontario, 1st Mortgage, 5½%, 1948 .....	4,850.00
5,000.00	Quebec Power Company, 1st Mortgage and Collateral Trust, 5%, 1968 or earlier .....	4,950.00
5,000.00	St. Maurice Valley Corp., 1st Mortgage and Collateral Trust, 6%, 1945 or earlier .....	4,900.00
5,000.00	United Grain Growers Limited, 1st Mortgage, 5%, 1948 or earlier ...	4,450.00
<hr/> \$310,000.00		<hr/> \$303,000.00

## STOCKS

100 Shares	International Milling Company Preferred .....	10,400.00
100 Shares	Canadian General Electric Company Preferred .....	11,600.00
		<hr/> \$22,000.00

## RECAPITULATION

\$ 263,399.47	Government Bonds .....	\$260,563.49
563,502.42	Municipal Bonds .....	556,556.56
34,346.29	School Bonds .....	33,128.20
310,000.00	Miscellaneous Bonds .....	325,000.00
<hr/> \$1,171,248.18	TOTAL OF BONDS .....	<hr/> \$1,153,248.25
	Stocks .....	<hr/> 22,000.00

GRAND TOTAL OF BONDS AND STOCKS OWNED BY THE CANADIAN  
SURETY COMPANY .....

\$1,175,248.25



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

BONDS

PAR VALUE		MARKET VALUE
\$10,000	American Power & Light Company Deb. 6%, 2016.....	\$10,500.00
10,000	American International Corporation Conv. Deb. 5½%, 1949.....	9,400.00
10,000	Brooklyn-Manhattan Transit Corporation 6½%, Notes, 1932.....	9,600.00
15,000	Brooklyn-Manhattan Transit Corporation Rapid Transit Secured S. F. "A" 6%, 1968.....	14,100.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. "A" 5%, 1975.....	19,000.00
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	9,600.00
88,000	Mexican Federal Government 5% Exterior, 1945.....	16,720.00
10,000	New Orleans Public Service 1st & Ref. Mtge. "B" 5%, 1955.....	9,000.00
20,000	N. Y., N. H. & Hartford Conv. Deb. 6%, 1948.....	24,400.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. "A" 5½%, 1952.....	10,000.00
10,000	St. Louis & San Francisco Cons. "A" 4½%, 1978.....	9,200.00
20,000	Southern Pacific Company 4½%, 1969.....	19,600.00
10,000	Texas & Pacific Ry. Co. Ref. & Genl. "B" 5%, 1977.....	10,000.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	8,700.00
10,000	Wabash R. R. Company Ref. & Genl. "B" 5%, 1976.....	9,900.00
P 75,684	Banco Minero de Chihuahua.....	5,014.06
300,000	Mexican Federal Government 3%, 1925.....	13,500.00
1,100	Mexican Federal Government 5%, Interior Debt.....	55.00
{ 531,000	Mexican Federal Government "C" 6%, 1913 & }	
{ 400,000	Participation Certificates 6%, 1913..... }	.50
95,700	United Shoe & Leather Company 5%, 1941.....	35,409.00

STOCKS

100	Shares Allied Power & Light Corporation 1st Preferred.....	8,000.00
100	Shares American Superpower 1st Preferred.....	8,500.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	20,400.00
1	Share Mexico City Country Club.....	2,500.00

TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....\$283,098.56

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE		MARKET VALUE
\$10,000	Brooklyn-Manhattan Transit Corp., Series A, 6%, 1968.....	\$ 9,600.00
50,000	New England Power Association Deb., 5%, 1948.....	45,000.00

## STOCKS

1,500	Shares Amnyco Printing & Supply Corp.....	75,000.00
66	Shares Canadian Surety Company.....	9,700.00
100	Shares Engineers Public Service Co. Convertible Pfd.....	9,400.00
1,000	Shares International Paper & Power Co. Cumulative Pfd.....	79,000.00
600	Shares Lehigh Valley Coal Corp. Pfd.....	20,400.00
10	Shares New York Casualty Co.....	166.70
9	Shares Title Guaranty & Surety Co.....	90.00
200	Shares United Corporation Common.....	6,400.00
		<hr/>
		\$254,756.70



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X

AMERICAN SURETY  
COMPANY OF NEW YORK

TRIENNIAL  
EXAMINATION

BY  
NEW YORK STATE  
INSURANCE DEPARTMENT  
FOR THE PERIOD ENDING  
DECEMBER 31, 1929



# AMERICAN SURETY COMPANY OF NEW YORK



## TRUSTEES

CHARLES H. ALLEN	RICHARD B. MELLON
JOHN ANDERSON	JEREMIAH MILBANK
GOODWIN B. BEACH	JOHN M. MILLER, JR.
EDWIN L. BLABON	ANDREW MILLS
A. J. BROSSÉAU	J. R. MORRON
R. R. BROWN	ALEXANDER NEW
NEWCOMB CARLTON	JOHN D. O'KEEFE
CLARENCE E. CHAPMAN	SEWARD PROSSER
DELOS W. COOKE	JOHN J. RASKOB
T. JEFFERSON COOLIDGE	ANDREW W. ROBERTSON
C. G. DU BOIS	LINDSAY RUSSELL
W. N. DYKMAN	JOHN SHERWIN
J. CARROLL FRENCH	WILLIAM SKINNER
WALTER E. FREW	MATTHEW S. SLOAN
ARCHIBALD R. GRAUSTEIN	FREDERICK P. SMALL
F. COIT JOHNSON	R. A. C. SMITH
HARRY A. KAHLER	VALENTINE P. SNYDER
WALTER KASTEN	JOSEPH B. TERBELL
JOHN L. KEMMERER	LANDON K. THORNE
F. M. KIRBY	L. A. WATRES
F. W. LAFRENTZ	F. EDSON WHITE
A. F. LAFRENTZ	WILLIAM WHITING
EDWARD E. LOOMIS	ALBERT H. WIGGIN
L. F. LOREE	BENJAMIN L. WINCHELL
JEREMIAH T. MAHONEY	BRONSON WINTHROP
THOS. N. MCCARTER	WILLIAM H. WOODIN

## OFFICERS

F. W. LAFRENTZ	. . . Chairman of the Board
R. R. BROWN	. . . . . President
A. F. LAFRENTZ	. . . . . First Vice-President



STATE OF NEW YORK  
INSURANCE DEPARTMENT  
ALBANY

October 18, 1930.

Mr. S. C. Hemstreet, Secretary,  
American Surety Company of New York,  
100 Broadway, New York City.

Dear Sir:

Enclosed please find copy of report on examination, dated October 2, 1930, of the condition and affairs of your company.

Under the provisions of Section 39 of the Insurance Law your company is given the right of a hearing prior to the report being placed on file in the department. If no hearing is desired, you will please so notify the department, in order that the report may be filed at once. However, should the report in any particular meet with your objection or be considered by you as containing conclusions not justified by supporting facts, you are requested to so advise the department in writing, setting forth the particular objections you may have to the examiner's findings, and presenting a memorandum of definite reasons for the exceptions taken. On receipt of such advices you will be duly notified of the date fixed for a hearing. At such hearing only those matters will be considered as have met with objection, it being understood that all other parts of the report are accepted by you as satisfactory.

Very truly yours,

THOMAS F. BEHAN,

Deputy and Acting Superintendent.

Enclosure.

*No objections were made and the report was filed as submitted.*

*American Surety Co. of N. Y.*



*Home Office Building  
100 Broadway, New York City*





October 2, 1930.

Honorable Thomas F. Behan,  
Deputy and Acting Superintendent of Insurance,  
Albany, New York.

Sir:

In accordance with the instructions contained in appointment number 7,175 dated September 30, 1930, annexed hereto, I have made an examination into the condition and affairs of the AMERICAN SURETY COMPANY OF NEW YORK, and submit the following report thereon.

This examination was made as of December 31, 1929.

#### HISTORY

The American Surety Company was incorporated April 14, 1884, in conformity with several acts of the Legislature of the State of New York with an original authorized capital of \$500,000.00. The capital has been increased as shown by the following table:

	Capital	Surplus paid in
Original capital.....	\$ 500,000.00	
Increase in July 1887 .....	500,000.00	
Increase in October 1892 .....	1,000,000.00	\$500,000.00
Increase in August 1895.....	500,000.00	500,000.00
Increase in December 1912.....	2,500,000.00	
Increase in July 1929.....	2,500,000.00	3,000,000.00
Capital December 31, 1929.....	\$7,500,000.00	
Contributed surplus.....		\$4,000,000.00

Dividends have been paid since December 31, 1926, the date of the last examination, as follows:

Year	Regular	Extra	Total	Amount
1927.....	20%	2%	22%	\$1,100,000.00
1928.....	20%	4%	24%	1,200,000.00
1929.....	24%		24%	1,500,000.00

The last two quarterly dividends in 1929 were paid upon the increased capital basis.

The total cash dividends paid since the organization of the company amounts to \$18,537,411.50.

The company is authorized by its charter to write policies covering accident, health, liability, compensation, fidelity, sure-



ty, credit, burglary, theft, forgery, glass, steam boiler, engine and machinery, live stock, automobile, air craft, sprinkler leakage and elevator insurance as defined in Article Two of the Insurance Law.

Up to December 31, 1926, the company confined its writings to fidelity, surety and burglary. In 1927 it began writing plate glass insurance and in 1929 it began writing liability, including property damage, and workmen's compensation insurance.

#### OPERATION

The company was qualified as of December 31, 1929, to do business in every state of the United States, including the District of Columbia; also Alaska, Hawaii, Porto Rico, and the Province of Ontario. It does not write automobile insurance in Massachusetts and does not write workmen's compensation insurance in Nevada, North Dakota, Ohio, Oregon, Washington, West Virginia, Wyoming and Porto Rico.

The company maintains forty branch offices and four service branches all of which operate on a straight salary basis. The salaries of all clerks at the branch offices are paid by the company as are the rents. There are also sixty-nine claim inspectors and adjusters as well as thirteen safety engineers assigned to the home and branch offices.

Branch managers and agents have limited authority as to underwriting, all large risks being passed upon by the Underwriting Committees and Executive Officers at the home office. Branch office managers have limited authority to settle claims on all lines written by the company. All large claims are adjusted by the home office.

There are approximately fifteen thousand agents under the supervision of the branch managers.

In July, 1929, the company acquired by an exchange of stock all but a few shares of stock of the New York Casualty Company, a domestic company. This latter company has about two thousand agents.

The company is a member of the following bureaus and associations:

- Association of Casualty and Surety Executives
- Conference on Acquisition and Field Supervision Cost for Casualty Insurance
- Conference on Acquisition and Field Supervision Cost for Fidelity and Surety Business
- National Bureau of Casualty and Surety Underwriters
- National Safety Council of Chicago
- National Council on Compensation Insurance
- International Association of Casualty and Surety Underwriters
- Surety Association of America
- Towner Rating Bureau
- and several state compensation rating bureaus

## FINANCIAL STATEMENT

A statement of the income and disbursements from January 1, 1929, to December 31, 1929, and the assets and liabilities as of the latter date is shown as follows:

### INCOME

#### NET PREMIUMS WRITTEN:

Auto liability . . . . .	\$52,554.04
Other liability . . . . .	29,069.04
Workmen's compensation . . . . .	33,772.78
Fidelity . . . . .	5,137,710.76
Surety . . . . .	3,673,534.96
Plate glass . . . . .	68,007.97
Burglary and theft . . . . .	1,075,462.44
Auto property damage . . . . .	13,424.69
Auto collision . . . . .	3,288.57
Other property damage and collision . . . . .	1,567.01

TOTAL NET PREMIUMS . . . . .	\$10,088,392.26
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#### INTEREST ON:

Collateral loans . . . . .	\$28,541.65
Bonds . . . . .	367,936.41
Dividends on stocks . . . . .	395,365.25
Bank deposits . . . . .	31,079.17
Premiums . . . . .	1,213.00
Salvage . . . . .	10,043.73
Tax refunds . . . . .	132.67

TOTAL INTEREST AND DIVIDENDS . . . . .	834,311.88
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Rents . . . . .	1,181,509.76
New York State income tax retained . . . . .	2,120.71
Surplus paid in . . . . .	3,000,000.00
Capital paid in . . . . .	2,500,000.00
Dividends on fractional script certificates . . . . .	88.50
Profit on sale or maturity of bonds . . . . .	235,314.29
Profit on sale of stock . . . . .	81,951.55

TOTAL INCOME . . . . .	\$17,923,688.95
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Ledger assets December 31, 1928 . . . . .	22,767,675.63
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TOTAL . . . . .	\$40,691,364.58
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### DISBURSEMENTS

#### Net amount paid for losses and investigation of claims:

	Losses	Investigation
Auto liability . . . . .	\$559.50	\$7.10
Other liability . . . . .	576.48	243.97
Workmen's compensation . . . . .	1,080.78	36.35
Fidelity . . . . .	1,801,078.63	359,013.46
Surety . . . . .	636,077.44	240,169.00
Plate glass . . . . .	19,675.75	605.92
Burglary and theft . . . . .	363,812.27	47,695.40
Auto property damage . . . . .	339.87	57.15
Auto collision . . . . .	338.93	29.53
Other property damage and collision . . . . .	272.00	33.01

TOTAL . . . . .	\$2,823,811.65	\$647,890.89	\$3,471,702.54
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Commission or brokerage:	
Auto liability . . . . .	\$3,169.38
Other liability . . . . .	1,516.57
Workmen's compensation . . . . .	— 527.05
Fidelity . . . . .	713,600.09
Surety . . . . .	722,609.60
Plate glass . . . . .	16,684.40
Burglary and theft . . . . .	207,709.31
Auto property damage . . . . .	— 190.24
Auto collision . . . . .	— 61.02
Other property damage and collision . . . . .	88.15
<hr/>	
TOTAL COMMISSION ON BROKERAGE . . . .	\$1,664,599.19
Salaries, fees, other compensation and traveling expenses of officers, trus- tees, and home office employees . . . . .	1,142,679.85
Salaries, traveling and all other expenses of branch office employees and agents not paid by commission . . . . .	1,985,420.00
Inspection . . . . .	227.77
Rents . . . . .	153,454.33
General office maintenance and expense . . . . .	24,092.01
Repairs and expenses on real estate . . . . .	213,419.26
Taxes on real estate . . . . .	203,366.50
State taxes on premiums . . . . .	\$198,548.90
Insurance department licenses and fees . . . . .	33,868.81
Federal taxes . . . . .	243,920.64
State tax on deposits . . . . .	7.50
State income taxes . . . . .	2,123.83
Municipal taxes . . . . .	9,826.56
Personal tax . . . . .	637.50
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TOTAL TAXES AND FEES . . . . .	\$488,933.74
Legal expenses . . . . .	11,165.42
Advertising . . . . .	15,222.83
Printing and stationery . . . . .	40,862.59
Postage, telegraph, telephone, exchange and express . . . . .	32,589.02
Insurance . . . . .	26,975.82
Furniture and fixtures . . . . .	24,427.62
Books, newspapers and periodicals . . . . .	9,110.32
Bureau and Association dues and assessments . . . . .	16,009.25
Dividends to stockholders . . . . .	1,500,000.00
Brokerage on investments . . . . .	15,722.24
Donations . . . . .	1,382.41
Stock registration . . . . .	1,511.50
References . . . . .	6,348.50
Regional conferences . . . . .	6,564.67
Educational expenses . . . . .	4,373.20
Investigation . . . . .	235.04
Fees, taxes and expenses of new capital stock . . . . .	35,106.02
Payment of retained New York State income tax . . . . .	2,059.22
Decrease in unapplied premium payments . . . . .	9,091.72
Loss on sale or maturity of bonds . . . . .	40,351.61
Decrease by adjustment in book value of real estate . . . . .	100,000.00
<hr/>	
TOTAL DISBURSEMENTS . . . . .	\$11,247,004.19
<hr/>	
Balance, ledger assets December 31, 1929 . . . . .	\$29,444,360.39

## LEDGER ASSETS

Book value of real estate.....			\$8,406,069.17
Book value of bonds.....			5,701,355.22
Book value of stocks.....			10,493,027.18
Cash in office.....			4,585.00
Deposits in banks and trust companies:			
Not on interest.....			452,459.32
On interest.....			2,094,857.47
Premiums in course of collection:	On policies	On policies	
	effective October	effective prior	
	1, 1929, or after	to Oct. 1, 1929	
Auto liability.....	\$30,360.65	\$4,551.55	
Other liability.....	16,093.03	2,717.03	
Workmen's compensation ..	28,586.73	6,268.93	
Fidelity.....	665,070.57	79,377.49	
Surety.....	733,722.32	280,932.19	
Plate glass.....	20,080.31	3,204.50	
Burglary and theft.....	278,700.06	22,591.40	
Auto property damage.....	11,480.34	1,372.60	
Auto collision.....	2,790.62	439.60	
Other property damage and			
collision.....	862.27	783.95	
TOTALS.....	<u>\$1,787,746.90</u>	<u>\$402,239.24</u>	\$2,189,986.14
Reinsurance recoverable.....			102,020.89
TOTAL LEDGER ASSETS.....			<u>\$29,444,360.39</u>

## NON-LEDGER ASSETS

Interest accrued on bonds.....	\$88,558.98	
Market value of real estate over book value.....	823,930.83	
Market value of bonds and stocks over book value	4,192,128.16	
Salvage.....	381,565.27	5,486,183.24
GROSS ASSETS.....		<u>\$34,930,543.63</u>

## ASSETS NOT ADMITTED

Premiums in course of collection on		
policies effective prior to		
October 1, 1929.....	\$402,239.24	
Unauthorized reinsurance on paid losses.....	26,098.74	
Cash in hands of inspectors.....	1,073.92	429,411.90
TOTAL ADMITTED ASSETS.....		<u>\$34,501,131.73</u>

## LIABILITIES

UNPAID LOSSES AND LOSS EXPENSE:	
Fidelity.....	\$2,895,153.00
Surety.....	1,362,960.00
Plate glass.....	280.00
Burglary and theft.....	74,445.00
Auto property damage.....	804.00
Auto collision.....	201.00
Other property damage and collision.....	
TOTAL.....	<u>\$4,333,843.00</u>
Special reserve for unpaid liability losses.....	12,124.00
Special reserve for workmen's compensation losses	6,825.00



TOTAL RESERVE FOR UNPAID LOSSES AND LOSS EXPENSES.....		\$4,352,792.00
Unearned premiums.....		6,520,431.05
Commissions.....		355,183.26
Salaries, expenses, bills, accounts due and accrued		66,157.39
Reserve for taxes.....		371,232.29
Return premiums.....		57,192.87
Reinsurance.....		192,375.36
Unapplied premiums.....		35,562.25
Real estate expense due or accrued.....		5,016.67
New York State income tax retained.....		2,120.71
TOTAL LIABILITIES, EXCEPT CAPITAL...		\$11,958,063.85
Capital.....	\$7,500,000.00	
Surplus.....	15,043,067.88	
Surplus as regards policyholders.....		22,543,067.88
TOTAL.....		\$34,501,131.73

## ASSETS

### *Real Estate:*

The real estate owned consists of the home office building, a twenty-three story steel and granite office building, located at Nos. 94-106 Broadway and Nos. 1-5 Pine Street, New York City, and known as "100 Broadway."

The actual cost of the property is shown as follows:

Original property acquired in 1892.....		\$3,267,119.40
Cost of adjoining property acquired in 1919.....	\$1,500,000.00	
Less portion sold in 1921.....	450,000.00	1,050,000.00
EXPENDED ON NEW BUILDING ALTERATIONS AND CONSTRUCTION 1920-1929.....		5,205,724.99
Total cost of property to Dec. 31, 1929..		\$9,522,844.39
Amount charged off original property in 1898....	\$267,119.40	
Depreciation of \$100,000.00 per year 1922-1929...	800,000.00	
Fire loss charged off in 1926.....	16,500.00	
Recovery of part payment on old lease in 1929...	33,155.82	1,116,775.22
Book value carried by company Dec. 31, 1929....		\$8,406,069.17

An appraisal on file with this Department fixes the market value of the property as \$9,230,000.00 at which value it is carried in this report. The excess of \$823,930.83 over the book value is carried as a non-ledger asset in the foregoing financial statement.

The deeds, title policies and fire insurance policies were found to be in order. Taxes and water bills were paid to December 31, 1929.

### *Collateral Loans:*

While as of December 31, 1929, the company had no outstanding collateral loans, it had loaned money at call since the last examination as follows:

Year	Amount	Interest Received
1928.....	\$1,601,000.00	\$1,918.71
1929.....	5,900,000.00	28,541.65

These loans were made to various brokerage houses in participation with the Chase National Bank, which bank held the collateral. The largest single loan was for \$300,000.00 in 1928 and \$500,000.00 in 1929.

The interest received in 1929 is noted as income in this report.

### *Bonds and Stocks:*

The following schedule shows the class of securities making up the investments in bonds and stocks:

BONDS	Book Value	Par Value	Market Value
Foreign Government.....	\$49,125.00	\$50,000.00	\$49,000.00
U. S. Government.....	716,178.48	800,000.00	816,000.00
State, Province and Municipal...	667,616.23	655,000.00	628,400.00
Railroad.....	2,088,960.77	2,134,000.00	2,114,930.00
Public Utilities.....	958,178.15	984,000.00	998,400.00
Miscellaneous.....	1,221,296.59	1,235,000.00	1,188,400.00
<b>Total Bonds.....</b>	<b>\$5,701,355.22</b>	<b>\$5,858,000.00</b>	<b>\$5,795,130.00</b>
STOCKS			
Affiliated Companies, Common...	\$2,333,110.56	\$2,741,175.00	\$5,507,005.56
Railroad Common.....	3,611,853.12	2,856,900.00	3,831,883.00
Preferred.....	1,173,150.00	1,300,000.00	1,208,000.00
Public Utilities:			
Common.....	180,000.00	.....	200,000.00
Preferred.....	909,319.75	200,000.00	979,000.00
Bank and Trust Company			
Common.....	438,256.25	140,640.00	1,096,992.00
Miscellaneous Common.....	781,750.00	250,000.00	781,500.00
Preferred.....	1,065,587.50	900,000.00	987,000.00
<b>Total Stocks.....</b>	<b>\$10,493,027.18</b>	<b>\$8,388,715.00</b>	<b>\$14,591,380.56</b>
<b>Total Bonds and Stocks.....</b>	<b>\$16,194,382.40</b>	<b>\$14,246,715.00</b>	<b>\$20,386,510.56</b>

Bonds on deposit December 31, 1929, not held for the protection of all policyholders were as follows:

Location	Book Value	Par Value	Market Value
Alabama.....	\$44,760.00	\$50,000.00	\$51,000.00
Canada.....	105,625.00	105,000.00	100,950.00
Delaware.....	8,952.00	10,000.00	10,200.00
Florida.....	73,505.00	75,000.00	74,500.00
Georgia.....	22,380.00	25,000.00	25,500.00
Idaho.....	22,380.00	25,000.00	25,500.00
Louisiana.....	44,760.00	50,000.00	51,000.00
Oregon.....	25,065.60	28,000.00	28,560.00
Philadelphia, Pa.....	89,520.00	100,000.00	102,000.00
Porto Rico.....	11,033.00	10,000.00	9,600.00
Texas.....	44,760.00	50,000.00	51,000.00
Virginia.....	31,332.00	35,000.00	35,700.00
<b>TOTALS.....</b>	<b>\$524,072.60</b>	<b>\$563,000.00</b>	<b>\$565,510.00</b>

Bonds on deposit December 31, 1929, held for the protection of all policyholders were as follows:

Location	Book Value	Par Value	Market Value
New York.....	\$246,180.00	\$275,000.00	\$280,500.00

Ownership of securities on deposit with government authorities was verified by certificates obtained from the proper officials.

All other bonds and stocks are kept in the vaults of the Mercantile Safe Deposit Company, New York, N. Y., and were there inspected and counted. The ownership of such bonds and stocks was certified by the usual affidavit of the secretary and treasurer of the company.

With the following exceptions the values allowed in this report are the actual market values as of December 31, 1929.

The following exhibit shows the stock of affiliated companies owned by the American Surety Company. Fixing the liabilities on a basis conforming to the requirements of this Department and allowing the assets at conservative values, the Audit Bureau of this Department fixed the following indicated rates as of December 31, 1929.

Stock of Affiliated Companies Owned by AMERICAN SURETY COMPANY				
Name of Company	No. of Shares	Par Value	Rate Allowed	Value Allowed
AMSUCO SECURITIES Co.....	11,500	\$575,000.00	53	\$614,844.76
CANADIAN SURETY Co.....	4,242	424,200.00	162	691,369.64
COMPANIA MEXICANA DE GARANTIAS S. A.....	4,945	247,250.00	95	474,621.10
NEW YORK CASUALTY Co.....	59,789	1,494,725.00	62	3,726,170.06
TOTALS.....		\$2,741,175.00		\$5,507,005.56

The value allowed in this report on above stocks is \$3,179,-017.11 in excess of the amount carried by the company.

The aggregate market values of all bonds and stocks owned December 31, 1929, amounted to \$20,386,510.56, and exceeded the total book values to the extent of \$4,192,128.16, which amount has been included in the foregoing financial statement as a non-ledger asset.

#### *Accrued Interest:*

The accrued interest has been checked and found to be \$88,558.98.

#### *Cash:*

Cash in office December 31, 1929, verified by actual count, amounted to \$4,585.00. As \$1,073.92 of this amount represented cash in hands of inspectors and petty cash expenses paid, it is deducted as an asset not admitted.

Deposits in banks as of December 31, 1929, were verified by the usual department certificates obtained from the banks and reconciled to the company's records. The interest bearing deposits amounted to \$2,094,857.47 and the non-interest bearing deposits amounted to \$452,459.32. The latter item consisted of branch office premium and expense accounts. Included in such expense accounts was \$85,600.09 expended in the last two weeks of 1929 but concerning which the home office was not

advised until 1930. This item has been allocated to the various liability items as shown by the agents' cash reports for the last two weeks of 1929.

*Premiums in Course of Collection:*

The total premiums in course of collection December 31, 1929, amounted to \$2,189,986.14 of which \$1,787,746.90 represented premiums on policies effective on or after October 1, 1929, and \$402,239.24 represented premiums on policies effective prior to that date.

The company's division of these items was checked prior to the preparation of the annual statement and such minor errors as were found were corrected before the statement was made up.

Included in that analysis was the liability item of \$35,562.25 representing unapplied premium receipts.

The uncollected premiums effective prior to October 1, 1929, amounting to \$402,239.24 are deducted as assets not admitted.

*Reinsurance Recoverable:*

The total amount due from other companies for reinsurance on losses paid prior to December 31, 1929, was \$102,020.89. In accordance with the annual statement the company carried as a liability the amounts due from non-admitted companies. However in this report that amount, \$26,098.74 is deducted as an asset not admitted.

The items were checked in detail and found to agree with company's records.

*Salvage:*

Cash salvage received since December 31, 1929, on losses paid prior thereto, amounting to \$381,565.27 has been allowed as a non-ledger asset. This amount is made up as follows:

Line	Amount
Fidelity.....	\$198,195.40
Surety.....	164,208.65
Burglary.....	18,813.68
Casualty lines.....	347.54
TOTAL.....	\$381,565.27

LIABILITIES

*Reserve for Losses:*

Reserves for unpaid claims, including adjustment expenses, on all lines except liability and workmen's compensation have been determined by estimating the probable loss on each individual claim, using, so far as possible, actual cash payments on claims paid.

A summary of the reserves, including adjustment expenses, reported by the company and the reserves determined by this examination follows:



Line	COMPANY RESERVE		EXAMINERS' RESERVE	
	Scheduled Claims	Subsequent Notices	Scheduled Claims	Subsequent Notices
Fidelity.....	\$2,379,456.63	\$675,000.00	\$2,117,939.00	\$777,214.00
Surety.....	1,186,896.94	300,000.00	1,171,663.00	191,297.00
Plate glass.....	754.92	2,500.00	150.00	130.00
Burglary and theft..	100,578.66	25,000.00	62,955.00	11,490.00
Auto property damage.....	1,717.20	2,000.00	643.00	161.00
Auto collision.....	80.08	250.00	51.00	150.00
Other property damage and collision	64.50	250.00	0	0
TOTALS..	\$3,669,548.93	\$1,005,000.00	\$3,353,401.00	\$980,442.00

#### RECAPITULATION

Company reserve.....	\$4,674,548.93
Examiners' reserve .....	4,333,843.00
Decrease by Examiners.....	\$340,705.93

The Insurance Department has prescribed a minimum formula reserve for fidelity and surety losses incurred prior to the date of the statement, but report of which did not reach the company until a subsequent date. These losses are referred to as "subsequent claims."

The following table shows the reserves on subsequent claims as calculated by the formula, the reserves as carried by the company and the reserves as determined by the examiners on a case basis:

Line	Formula Reserve	Company Reserves	Examiner Reserves
Fidelity.....	\$581,364.00	\$675,000.00	\$777,214.00
Surety.....	191,297.00	300,000.00	166,134.00
TOTAL.....	\$772,661.00	\$975,000.00	\$943,348.00

In the above table the examiner's individual case base reserves of \$777,214.00 exceeds the formula reserve of \$581,364.00 for fidelity subsequent claims and the larger amount is carried in this report.

For surety subsequent claims the formula reserve of \$191,297.00 exceeds the examiners case base reserves of \$166,134.00 and as the formula is the minimum reserve to be carried, it is so carried in this report.

#### *Special Reserve for Unpaid Liability and Workmen's Compensation Losses:*

The special reserve for the above claims computed in accordance with the provisions of Section eighty-six of the Insurance Law is shown as follows:

### LIABILITY LOSS RESERVE

Year of issue.....	1929
60% of earned premium.....	\$13,510.82
Losses and loss expenses paid.....	1,387.05
	<hr/>
Remainder.....	\$12,123.77
Suit reserve.....	0
	<hr/>
Reserve for Liability Losses.....	\$12,123.77

This reserve is \$33,397.23 less than the amount reported by the company. The difference is analyzed as follows:

Voluntary reserve provided by company.....	\$22,759.72
Change in earned premium.....	\$17,729.17
60% thereof.....	10,637.51
	<hr/>
TOTAL CHANGES.....	\$33,397.23

The probable cost of liability claims pending December 31, 1929, as specifically estimated by the company aggregated \$14,271.00. A review of the outstanding liability claims by the examiners, taking into consideration additional, reopened and subsequent claims, indicates a liability of \$8,051.00.

This amount is made up as follows:

Schedule claims.....	\$6,275.00
Subsequent notices.....	1,776.00
	<hr/>
TOTAL.....	\$8,051.00

Considering the fact that the company has only been writing this line of business for six months, no accurate conclusions can be arrived at concerning the ultimate loss ratio.

In the computation of the statutory formula reserve as shown in this report, the reserve applicable to the above period reflects a loss ratio of sixty per cent of the earned premium. Based upon individual claim estimates established by the examiners, the total reserve for unpaid claims is \$8,051.00. Unallocated expenses, estimated at fifteen per cent, hereafter chargeable against these estimates total \$1,207.65, which makes a total of \$9,258.65.

Taking into consideration the above factors, the formula reserve of \$12,123.77, carried in this report, is believed ample to discharge all ultimate losses arising under liability policies on claims incurred prior to December 31, 1929, and unpaid on that date.

### WORKMEN'S COMPENSATION RESERVE

Year of issue.....	1929
65% of earned premium.....	\$7,942.27
Losses and loss expenses paid.....	1,117.13
	<hr/>
Remainder.....	\$6,825.14
	<hr/>
Estimated unpaid claims.....	\$3,863.00
	<hr/>
Reserve for Workmen's Compensation Losses.....	\$6,825.14

From the foregoing statement it is noted that the remainder, based upon sixty-five per cent of earned premiums, amounts to \$6,825.14, whereas the specific estimates on pending claims amounts to \$3,863.00 as determined by the examiners.

The reserve of \$6,825.14 as carried in this report is \$7,075.11 less than the amount reported by the company. The difference is accounted for as follows:

Voluntary reserve provided by the company.....		\$3,043.43
Change in earned premium.....	\$6,202.59	
65% thereof.....		4,031.68
TOTAL CHANGES.....		\$7,075.11

The probable cost of workmen's compensation claims pending December 31, 1929, as specifically estimated by the company, aggregated \$2,650.25. As heretofore stated, a review of the outstanding workmen's compensation claims by the examiners indicates a liability of \$3,863.00.

As in the case of liability lines, the company has been writing workmen's compensation business for only six months, and therefore no accurate conclusions can be arrived at concerning the loss ratio.

In the computation of the statutory formula reserve as shown in this report, the reserve applicable to the above period reflects a loss ratio of sixty-five per cent of the earned premium. Based upon individual claim estimates established by the examiners, the total reserve for unpaid claims is \$3,863.00. Unallocated expenses, estimated at eighteen per cent, hereafter chargeable against these estimates total \$695.34, which makes a total of \$4,558.34.

In consideration of the above facts the formula reserve of \$6,825.14 carried in this report, is believed ample to discharge all ultimate losses arising under workmen's compensation policies on claims incurred prior to December 31, 1929, and unpaid on that date.

#### *Reserve for Unearned Premiums:*

Premiums in force December 31, 1929, were checked to the general recapitulation books and test checks of the footings and daily writings were made to determine the accuracy of the distribution of the various items. The cancellation and reinsurance entries were similarly checked. Surety bonds without fixed periods of termination were checked to ascertain that there was sufficient evidence to warrant taking down the reserve.

The premiums in force as of December 31, 1929, were as follows:

Line	Annual	Term	Advance	Total
Auto liability.....	\$47,290.78	.....	\$2,525.19	\$49,815.97
Other liability.....	22,271.34	\$2,957.12	1,605.45	26,833.91
Workmen's compensation...	21,454.81	.....	4,623.91	26,078.72
Fidelity.....	5,200,150.65	561,349.13	52,139.46	5,813,639.24
Surety.....	2,817,970.15	2,605,058.17	42,606.35	5,465,634.67

Line	Annual	Term	Advance	Total
Plate glass.....	63,943.42	1,249.28	3,502.93	68,695.63
Burglary and theft..	760,588.31	1,010,084.58	51,476.94	1,822,149.83
Auto property damage.....	9,241.60	.....	1,537.35	10,778.95
Auto collision.....	1,701.72	.....	1,259.00	2,960.72
Other property damage and collision	1,180.51	.....	175.32	1,355.83
TOTALS.....	\$8,945,793.29	\$4,180,698.28	\$161,451.90	\$13,287,943.47

In its annual statement as of December 31, 1929, the company computed the premiums pro rata on a semi-annual basis whereas the reserves carried in their report have been computed pro rata on a semi-monthly basis.

The reserves as reported by the company and as computed by the examiners are shown as follows:

Line	UNEARNED PREMIUMS	
	Company	Examiners
Auto liability.....	\$26,170.58	\$37,896.61
Other liability.....	15,205.29	21,208.43
Workmen's compensation.....	15,351.32	21,553.91
Fidelity.....	2,957,402.48	2,585,189.41
Surety.....	3,027,461.18	2,832,991.84
Plate glass.....	36,442.31	39,110.24
Burglary and theft.....	960,403.08	970,214.12
Auto property damage.....	6,158.15	8,716.70
Auto collision.....	2,109.86	2,587.41
Other property damage and collision.....	765.63	962.38
TOTALS.....	\$7,047,469.88	\$6,520,431.05

#### RECAPITULATION

Company's reserve.....	\$7,047,469.88
Examiners' reserve.....	6,520,431.05
Decrease by Examiners.....	\$527,038.83

#### Commissions:

The liability for this item has been determined by applying for each line of business written the average rate of commissions paid on premiums collected during the year 1929, to the premiums in course of collection effective October 1, 1929, or after. The following table shows the liability as estimated by the company and as estimated by the examiners.

Line	UNPAID COMMISSIONS	
	Company	Examiners
Auto liability.....	\$5,867.72	\$5,123.89
Other liability.....	2,657.58	2,044.43
Workmen's compensation.....	4,018.63	1,260.01
Fidelity.....	112,292.28	111,501.16
Surety.....	132,277.49	163,197.14
Plate glass.....	5,858.55	5,854.53
Burglary and theft.....	64,239.09	64,463.33
Auto property damage.....	2,203.73	1,021.25
Auto collision.....	551.58	393.63
Other property damage and collision.....	358.81	323.89
	\$330,325.46	\$355,183.26



## RECAPITULATION

Company commission liability.....	\$330,325.46
Examiners' commission liability .....	355,183.26
	<hr/>
Increase by Examiners.....	\$24,857.80

### *Unpaid Bills, etc.:*

Inspections of vouchers and disbursements subsequent to December 31, 1929, indicated a liability of \$66,157.39 for expenses incurred on or prior to that date. This was \$13,783.71 in excess of the amount reported by the company.

### *Reserve for Taxes:*

Nearly all premium taxes accrued to December 31, 1929, were paid prior to the date of this inspection. Those not paid were calculated upon the basis of the bills of the previous year applied to the figures of each respective state for the year 1929.

The Federal Income Tax was based upon the report submitted by the company.

The total liability as carried in this report was \$371,232.29 a decrease of \$71,673.19 from the amount carried by the company. This decrease was nearly all in the calculation of the federal tax.

### *Return Premiums:*

This item is made up as follows:

Refunds paid by agents in 1929 not reported until 1930 .....	\$6,375.85
Unpaid refunds authorized by Home Office.....	50,817.02
	<hr/>
TOTAL.....	\$57,192.87

Test checks were made to determine the correctness of this item, and also to see that the company was not carrying unearned premium reserves against the various items. The items are gross as to commission.

### *Reinsurance:*

The net balances due other companies for reinsurance as carried on the company's ledger was \$192,375.36. This item was checked in detail and found to agree with the amount carried in the company's ledger.

In connection with this check the reinsurance agreements were examined. The company has reinsurance agreements with forty-eight other companies based on the form approved by the Surety Association of America. It has four reciprocal contracts with other companies, whereby each of these companies agrees to accept reinsurance from the American. It also has four contracts with other companies whereby these companies agree to accept automatic reinsurance from the American.

### *Unapplied Premiums:*

Cash received in advance of entry of the premium charge and over-payments of premiums are considered as unapplied

premiums. This item was checked in connection with the check of the outstanding premiums.

*Real Estate Expenses Due or Accrued:*

This item represents real estate expenses unpaid as of December 31, 1929.

*New York State Income Tax Retained:*

This item represents income tax on salaries of employees not residents of New York and not paid to the State Tax Commission as of December 31, 1929.

*Capital Stock:*

The capital as previously noted amounts to \$7,500,000.00 consisting of 297,766 shares of the par value of \$25.00 and 1,117 shares of the par value of \$50.00.

The amount outstanding was verified by a certificate from the Guaranty Trust Company of New York, Registrar of the stock.

There were on December 31, 1929, two thousand seven hundred forty-four stockholders. The officers and trustees owned twenty-three thousand three hundred seventy-six shares. The by-laws provide that the trustees need not be stockholders.

*Surplus:*

In its annual statement as of December 31, 1929, filed with this Department, the company carried as a separate liability item, a voluntary special reserve of \$1,388,448.99 and reported a surplus of \$8,329,930.91. Surplus funds in excess of capital and liabilities were therefore reported as \$9,718,379.90.

In view of the fact that specific reserves for all liabilities have been carried in the foregoing financial statement in this report, the voluntary reserve set aside by the company has been included in general surplus.

As a result of this examination, the surplus on December 31, 1929, was found to have been \$15,043,067.88.

The various changes in asset and liability items are shown as follows:

<i>Assets</i>	Increase in Surplus	Decrease in Surplus
Market value of real estate. . . . .	\$823,930.83	
Market value of stock. . . . .	3,179,017.11	
Cash in company's office. . . . .		\$1,073.92
Salvage. . . . .	381,565.27	
<i>Liabilities</i>		
RESERVE FOR LOSSES,		
Scheduled Claims:		
Liability. . . . .	33,397.00	
Compensation. . . . .	7,075.25	
Fidelity. . . . .	261,517.63	
Surety. . . . .	15,233.94	
Plate glass. . . . .	604.92	
Burglary. . . . .	37,623.66	
Property damage:		
Automobile. . . . .	1,074.20	
Other than auto. . . . .	64.50	
Auto collision. . . . .	29.08	

	Increase in Surplus	Decrease in Surplus
RESERVE FOR LOSSES, Subsequent Notices:		
Fidelity.....		102,214.00
Surety.....	108,703.00	
Plate glass.....	2,370.00	
Burglary.....	13,510.00	
Property damage:		
Automobile.....	1,839.00	
Other than auto.....	250.00	
Auto collision.....	100.00	
Unearned premiums.....	527,038.83	
Commissions.....		24,857.80
Expenses due or accrued.....		13,783.71
Reserve for taxes.....	71,673.19	
TOTALS.....	\$5,466,617.41	\$141,929.43
Net Increase.....		5,324,687.98
	<u>\$5,466,617.41</u>	<u>\$5,466,617.41</u>
Surplus Dec. 31, 1929, per company.....	\$8,329,930.91	
Voluntary special reserve for company.....	1,388,448.99	
Surplus funds reported by company.....	\$9,718,379.90	
Net increase by examiners.....	5,324,687.98	
Surplus Dec. 31, 1929, as determined by this examination.....	\$15,043,067.88	

#### *Gain and Loss Exhibit:*

An underwriting and investment exhibit covering the period from December 31, 1926, the date of department's last examination, to December 31, 1929, is shown as follows:

#### UNDERWRITING

Premiums earned.....	\$29,142,428.41	
Gain from underwriting profit and loss items.....	154,453.40	
Income earned.....		\$29,296,881.81
Losses incurred.....	\$10,910,909.39	
Expenses incurred.....	16,465,350.88	
Losses and expenses incurred.....		<u>\$27,376,260.27</u>
Gain from underwriting.....		<u>\$1,920,621.54</u>

#### INVESTMENTS

Interest, dividends and rents earned.....	\$5,299,559.39	
Net profit on sale of securities.....	625,484.99	
Net profit on maturity of securities.....	11,504.03	
Increase in investment values for three years.....	3,473,856.51	
Total investment earnings.....		\$9,410,404.92
Investment expenses.....	\$1,355,186.25	
Depreciation of real estate.....	300,000.00	
Total investment losses.....		<u>1,655,186.25</u>
Gain from Investments.....		<u>\$7,755,218.67</u>

## RECAPITULATION

GAIN FROM:		
Underwriting.....		\$1,920,621.54
Investments.....		7,755,218.67
Stockholders' contribution to surplus.....		3,000,000.00
Total Gain.....		\$12,675,840.21
LOSS FROM:		
Cash dividends paid to stockholders.....		3,799,911.50
Net gain in surplus.....		\$8,875,928.71
Surplus per examination December 31, 1926.....		\$6,167,139.17
Surplus per examination December 31, 1929.....		15,043,067.88
Increase in surplus—three years.....		\$8,875,928.71

## ANALYSIS OF EARNED PREMIUMS December 31, 1926, to December 31, 1929

	Amount	Ratio to Earned Premium
Losses and loss expenses.....	\$10,910,909.39	37.44
Commissions.....	4,941,031.21	16.95
Agency and branch office expenses.....	5,644,325.85	19.37
Taxes.....	1,416,176.92	4.86
Overhead expenses.....	4,463,816.90	15.32
Total deduction.....	\$27,376,260.27	93.94
Gain from profit and loss items.....	154,453.40	.53
Net Total.....	\$27,221,806.87	93.41
Earned premiums.....	29,142,428.41	100.00
Gain from underwriting.....	\$1,920,621.54	6.59

The above commission ratio applies to earned premiums only. The ratio of commission paid to premiums collected during the above period is 16.51 per cent, and the corresponding ratio of combined commissions, agency and branch office expenses is 35.58 per cent.

The following exhibit shows the ratios of losses and loss expenses incurred to earned premiums on the several lines of business written, covering the period from December 31, 1926, to December 31, 1929.

Line	Premiums Earned	Losses Incurred	Ratio
Liability.....	\$20,208.48	\$13,511.05	66.85
Compensation.....	11,249.43	7,942.13	70.60
Fidelity.....	14,200,789.17	7,245,368.71	51.02
Surety.....	11,831,271.49	2,341,935.32	19.79
Plate glass.....	86,534.93	29,365.62	33.94
Burglary.....	2,986,874.37	1,270,711.07	42.54
Property damage:			
Automobile.....	4,337.32	1,201.02	27.69
Other than auto.....	547.60	305.01	55.66
Auto collision.....	615.62	569.46	92.44
TOTAL.....	\$29,142,428.41	\$10,910,909.39	37.44



In considering the above ratios it should be borne in mind that the company's experience on all lines other than fidelity, surety, burglary, and plate glass, represents less than one year's writings.

#### DIVISION OF BUSINESS WRITTEN

The following table shows the percentage each line of business written bears to the total business written during the year 1929. For comparative purposes, the ratios covering the year 1926 are also shown.

Line of Business	Net Premiums Written in 1929	Ratio 1929	Ratio 1926
Liability:			
Automobile.....	\$52,554.04	.52	.....
Other than auto.....	29,069.04	.29	.....
Workmen's compensation.....	33,772.78	.33	.....
Fidelity.....	5,137,710.76	50.93	48.37
Surety.....	3,673,534.96	36.41	41.67
Plate glass.....	68,007.97	.68	.....
Burglary.....	1,075,462.44	10.66	9.96
Property damage:			
Automobile.....	13,424.69	.13	.....
Other than auto.....	1,567.01	.02	.....
Auto collision.....	3,288.57	.03	.....
	<u>\$10,088,392.26</u>	<u>100.00</u>	<u>100.00</u>

#### EXCESS RISKS

No risk or hazard was found in excess of ten per cent of the combined capital and surplus. Liability on bonds for a larger amount has been properly reduced through co-insurance, reinsurance, collateral deposits or joint control.

Extra hazardous bonds, guarantees of unusual character, and bonds involving principals without substantial reputation are prohibited. Close supervision is maintained over the underwriting and execution of bonds.

#### EVIDENCE OF TERMINATION

Over one thousand files of surety bonds terminated by the company in December, 1929, and January, 1930, were examined to determine that proper evidence was in possession of the company warranting the taking down of the unearned premium reserve. No cases showing improper termination were found.

#### COLLATERAL

As protection against loss under fidelity and surety bonds, the company at times secures deposits of various forms of collateral. The collateral held as of December 31, 1929, was divided as follows:

Description	Held at Home Office	Held at Branch Offices	Total
Cash, bank books and certificates of deposit.....	\$246,652.70	\$844,078.86	\$1,090,731.56
Bonds and stocks.....	960,550.00	1,534,258.35	2,494,808.35
Miscellaneous.....	584,305.47	1,017,796.62	1,602,102.09
TOTALS .....	\$1,791,508.17	\$3,396,133.83	\$5,187,642.00

Collateral held at home office is kept in the vaults of the Empire Safe Deposit Company of New York and was verified by actual inspection and count.

Collateral held at branch offices, which is periodically verified by the company's traveling auditors, was substantiated by sworn lists obtained from the managers of the various branch offices.

Proper receipts, releases, etc., were obtained covering collateral returned, and collateral received has been properly accounted for.

#### OFFICERS

The officers of the company on December 31, 1929, were:

<i>Chairman</i> .....	F. W. LAFRENTZ
<i>President</i> .....	R. R. BROWN
<i>First Vice-President</i> .....	A. F. LAFRENTZ
<i>Vice-President and Treasurer</i> ....	C. W. GOETCHIUS
<i>Secretary</i> .....	S. C. HEMSTREET
<i>Comptroller</i> .....	A. A. NELSON
<i>Vice-President and General Solicitor</i> .....	G. L. NAUGHT

#### CONCLUSIONS

A summary of this report shows the company to be in possession of admitted assets of \$34,501,131.73 and a surplus of \$15,043,067.88 over all liabilities, which with its capital of \$7,500,000.00 provides a surplus of \$22,543,067.88 to policyholders.

Since the last examination the total admitted assets have increased from \$21,802,050.86 to \$34,501,131.73; the liabilities have increased from \$10,634,911.69 to \$11,958,063.85; and the surplus has increased from \$6,167,139.17 to \$15,043,067.88.

The net premiums written have increased from \$9,340,190.27 for the year ending December 31, 1926, to \$10,088,392.26 for the year ending December 31, 1929.

As shown in exhibits heretofore set forth, the underwriting since the last examination reflects a gain of \$1,920,621.54. In the same period, the investment earnings amount to \$9,410,404.92 and the loss from the decrease in investment values amounts to \$1,655,186.25.

Since the last examination, dividends totaling \$3,799,911.50 have been paid to stockholders in cash, and \$3,000,000.00 has

been contributed to surplus by stockholders. The capital has also been increased from \$5,000,000.00 to \$7,500,000.00. This increase together with the gains and losses mentioned above has resulted in increasing the surplus to policyholders from \$11,167,139.17 to \$22,543,067.88.

The company's officials and employees rendered every assistance to facilitate the work of this examination.

Respectfully submitted,

HERBERT C. CLARK,  
Examiner.

STATE OF NEW YORK

COUNTY OF NEW YORK

} ss.:

HERBERT C. CLARK, being duly sworn, deposes and says, that the foregoing report subscribed by him, is true to the best of his knowledge and belief.

HERBERT C. CLARK.

Subscribed and sworn to  
before me this 17th day of October, 1930.

(Seal)

EDWARD J. O'DEA.

Notary Public, Bronx County  
Bronx County Clerk's No. 9  
Register's No. 3103  
Certificate filed in N. Y. County











REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED

DECEMBER 31, 1930





BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

CHARLES H. ALLEN  
JOHN ANDERSON  
GOODWIN B. BEACH  
EDWIN L. BLABON  
A. J. BROSSÉAU  
R. R. BROWN  
NEWCOMB CARLTON  
CLARENCE E. CHAPMAN  
DELOS W. COOKE  
T. JEFFERSON COOLIDGE  
C. G. DU BOIS  
W. N. DYKMAN  
J. CARROLL FRENCH  
WALTER E. FREW  
ARCHIBALD R. GRAUSTEIN  
HUGH M. GRIMSHAW  
F. COIT JOHNSON  
HARRY A. KAHLER  
WALTER KASTEN  
JOHN L. KEMMERER  
F. M. KIRBY  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
EDWARD E. LOOMIS  
L. F. LOREE  
JEREMIAH T. MAHONEY

THOS N. McCARTER  
RICHARD B. MELLON  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
ANDREW MILLS  
J. R. MORRON  
ALEXANDER NEW  
JOHN D. O'KEEFE  
SEWARD PROSSER  
JOHN J. RASKOB  
ANDREW W. ROBERTSON  
LINDSAY RUSSELL  
JOHN SHERWIN  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
R. A. C. SMITH  
VALENTINE P. SNYDER  
JOSEPH B. TERBELL  
LANDON K. THORNE  
L. A. WATRES  
WM. WHITING  
ALBERT H. WIGGIN  
BENJAMIN L. WINCHELL  
BRONSON WINTHROP  
WILLIAM H. WOODIN

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*President*

A. F. LAFRENTZ  
*First Vice-President*

### *Vice-Presidents*

RICHARD DEMING  
W. M. TOMLINS, JR.  
E. F. WATSON  
F. J. PARRY  
LEWIS H. PARRY  
M. L. JENKS  
D. H. COOK

W. E. MCKELL  
C. E. MILLEN  
G. L. NAUGHT  
B. J. MCGINN  
A. E. COTTERELL  
L. S. MOORE  
J. CARROLL FRENCH

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

S. C. HEMSTREET  
*Secretary*

A. A. NELSON  
*Comptroller*

January 20, 1931.

TO THE BOARD OF TRUSTEES:

The results of the operations of our Company for the year ended December 31, 1930 (being the forty-seventh year of its operations), are given below:

INCOME:		Comparison with Preceding Year
From Premiums.....	\$10,238,498.11	(Increase \$ 177,690.12)
From Dividends, Interest and Rents, less Operating Cost...	<u>1,732,348.69</u>	(Increase \$ 139,435.35)
INCOME.....	\$11,970,846.80	

OUTGO:		
For Expenses.....	\$ 6,242,023.36	(Increase \$ 414,314.83)
For Taxes.....	438,494.41	(Decrease \$ 50,117.86)
For Gross Losses..	\$6,441,261.13	(Increase \$2,003,442.60)
Less Cash Salvage.	<u>1,339,382.16</u>	(Increase \$ 105,984.76)
Net Losses.....	<u>5,101,878.97</u>	(Increase \$1,897,457.84)
OUTGO.....	\$11,782,396.74	

EXCESS OF INCOME OVER OUTGO.....	\$ 188,450.06
(Decrease \$1,944,529.34)	

INCREASE IN:

Reserve for Overdue Premiums \$	50,000.00	
Reserve for Refunds.....	8,268.18	
Reserve for Depreciation of Building.....	106,069.17	
Statutory Loss Reserve.....	<u>55,000.00</u>	219,337.35

DECREASE IN:

Reserve for Expenses.....	87,418.91		
Reserve for Unearned Premiums	<u>25,395.32</u>	<u>112,814.23</u>	<u>106,523.12</u>
Balance Forward.....			\$ 81,926.94



Balance brought forward.....	\$	81,926.94		
Decrease in Value of Securities				
Unsold.....	\$2,486,765.09			
Loss on Sundry Items.....	1,833.54	\$2,488,598.63		
Less Profit on Securities Sold.....	35,741.23			
Depreciation taken prior to Jan. 1, 1930, on securities sold during this period.....	7,992.52	43,733.75	2,444,864.88	
			\$2,362,937.94	
Transferred from Voluntary Special Reserve.....			1,500,000.00	
Reduction in Surplus before Payment of Dividends.....			862,937.94	
Dividends Paid.....	1,800,000.00			
Less Dividends on fractional Script Certificates		33.00	1,799,967.00	
DECREASE IN SURPLUS.....			\$2,662,904.94	

The unfavorable showing of the revenue account is due to the adverse effect of the prevailing business depression on the operations of the Company during the past year. This exceptionally severe depression extends throughout the entire territory in which the Company operates. With its passage favorable results may again be expected from the Company's operations. In the meantime, the Company has charged off its underwriting losses, and has written its securities down to market value.

The securities item of \$14,826,343.45 in the financial statement represents investments of the Company in stocks and bonds at their market value December 31, 1930, except stocks of subsidiary companies which are carried at par or cost, being in each instance less than book value.

The real estate item of \$8,300,000 represents the cost of the Company's Home Office building at 100 Broadway, New York City, less depreciation. The Company occupies about five stories of this building, for the use of which space it charges itself at the market rental-rate. All of the remaining space is advantageously rented.

Against premiums in course of collection amounting to \$2,321,112.57 a reserve of \$450,000 is carried in liabilities for items which are due for more than ninety days and which are disallowed as an asset, notwithstanding that many of these items are good.

The reserve for unearned premiums of \$7,022,074.56 represents, as its name implies, the unearned premiums on bonds and policies in force.

The claim reserve of \$5,148,054.28 is considered ample for the discharge of the Company's liability in all cases of default that have been reported under its bonds and policies, and includes a special reserve in the sum of \$1,000,000 to cover the Company's estimated liability on unreported defaults. In connection with the increased losses of the past year it should be borne in mind that some of these losses will hereafter yield substantial salvage returns.

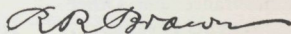
The reserve for expenses and taxes of \$1,025,026.95 is considered sufficient to meet all accrued federal, state and local taxes; all items in transit between branch offices and the Home Office; and all accrued expenses.

The voluntary special reserve which stood at \$1,500,000 December 31, 1929, and which had been set up primarily to offset appreciation of securities, has been taken down in view of the depreciation of securities during the past year.

During the year the Insurance Department of the State of New York made its legally-prescribed examination of the condition and affairs of the Company as of December 31, 1929. In the report of that examination the Department stated the surplus of the Company as determined by it to be \$5,324,687.98 more than was reported by the Company at that date. The method by which the Department arrived at this result is stated in the report, a copy of which is submitted herewith. The Company has not taken up in its accounts any part of the additional surplus reported by the Department.

I commend the members of our Home Office and field forces for the very able manner in which they have performed their duties in a most trying year; and I express to the members of this Board my appreciation of the continuance of their wise counsel and generous aid in all matters pertaining to the Company's welfare.

Respectfully submitted,



President.

# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1930	1929	Increase	Decrease
Real Estate.....	\$ 8,300,000.00	\$ 8,406,069.17	\$	\$ 106,069.17
Bonds.....	5,844,716.25	5,752,560.00	92,156.25	
Stocks.....	8,981,627.20	11,289,879.82		2,308,252.62
Premiums in Course of Collection.....	2,321,112.57	2,154,423.89	166,688.68	
Cash in Banks and Offices.....	1,408,727.83	2,551,901.79		1,143,173.96
Reinsurance and Other Accounts Receivable.	100,795.71	102,020.89		1,225.18
Accrued Interest Receivable.....	91,243.95	88,558.98	2,684.97	
	<hr/> \$27,048,223.51	<hr/> \$30,345,414.54		<hr/> \$3,297,191.03

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00	\$	\$
Surplus and Undivided Profits.....	5,667,025.97	8,329,930.91		2,662,904.94
Voluntary Special Reserve.....		1,500,000.00		1,500,000.00
Reserve for Unearned Premiums.....	7,022,074.56	7,047,469.88		25,395.32
Reserve for Contingent Claims.....	5,148,054.28	4,210,703.52	937,350.76	
Reserve for Outstanding Premiums.....	450,000.00	400,000.00	50,000.00	
Reserve for Expenses and Taxes.....	1,025,026.95	1,111,997.14		86,970.19
Reinsurance and Other Accounts Payable....	236,041.75	245,313.09		9,271.34
	<hr/> \$27,048,223.51	<hr/> \$30,345,414.54		<hr/> \$3,297,191.03



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1930

## RESOURCES

Real Estate.....	\$ 8,300,000.00
Securities at Market Value:	
Bonds.....	\$ 5,844,716.25
*Stocks.....	8,981,627.20
	<hr/>
14,826,343.45	
Premiums in Course of Collection.....	2,321,112.57
Cash in Banks and Offices.....	1,408,727.83
Reinsurance and other Accounts Receivable.....	100,795.71
Accrued Interest Receivable.....	91,243.95
	<hr/>
	\$27,048,223.51

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00
Surplus and Undivided Profits.....	5,667,025.97
Reserve for Unearned Premiums.....	7,022,074.56
Reserve for Contingent Claims.....	5,148,054.28
Reserve for Outstanding Premiums.....	450,000.00
Reserve for Expenses and Taxes.....	1,025,026.95
Reinsurance and Other Accounts Payable.....	236,041.75
	<hr/>
	\$27,048,223.51

\* At Market Values with exception of stocks of subsidiary companies which are carried at par or cost being in each instance less than book value.



## GENERAL INFORMATION

There were presented to us during 1930:

7,113	Fidelity Claims
424	Official Claims
1,051	Surety Claims
1,300	Burglary Claims
527	Forgery Claims
970	Plate Glass Claims
5,340	Other Casualty Claims

Making a total of 16,725 (An increase of 6,017 as compared with 1929).

### LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums—	{	Year 1930 . .	44.01
	{	Entire Period .	26.35
Burglary and Forgery Claims Paid to Net Premiums—	{	Year 1930 . .	43.64
	{	Entire Period .	35.24
Plate Glass Claims Paid to Net Premiums— . .	{	Year 1930 . .	31.13
	{	Entire Period .	26.03
Other Casualty Claims Paid to Net Premiums— .	{	Year 1930 . .	17.77
	{	Entire Period .	16.20

We are represented in this country by 40 Branch Office Managers, and 14,931 Agents.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$158,081,192.18
Its Net Paid Losses were . . . . .	42,407,331.78
And its Expenses were . . . . .	93,588,508.06
Leaving an excess from underwriting, subject to Reserves, of . . . . .	22,085,352.34
Which is equivalent to 13.97% of the Net Premium Income.	
Our Stockholders have received in Cash Dividends . . . . .	\$ 20,337,378.50

AMERICAN SURETY COMPANY OF NEW YORK  
 AMSUCO SECURITIES COMPANY  
 NEW YORK CASUALTY COMPANY  
 THE CANADIAN SURETY COMPANY  
 COMPANIA MEXICANA DE GARANTIAS, S. A.  
 CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1930

RESOURCES

Real Estate.....	\$ 8,457,500.00
Bonds, Stocks and Debentures at Market Value.....	18,111,853.59
Premiums in Course of Collection.....	3,135,695.79
Cash.....	1,899,210.44
Mortgage and other Secured Loans.....	1,416,758.67
Reinsurance and other Accounts Receivable.....	264,211.32
Accrued Interest Receivable.....	158,084.39
	<hr/>
	\$33,443,314.20

LIABILITIES

Capital Stock (300,000 shares. Par Value \$25.00 per share) .....	\$ 7,500,000.00
Surplus and Undivided Profits.....	\$7,252,908.51
Voluntary Special Reserve—Canada.....	30,000.00
Legal Fund Provision—Mexico.....	50,000.00
	<hr/>
*Minority Interest in Subsidiary Companies.....	120,685.11
Reserve for Unearned Premiums.....	8,767,525.13
Reserve for Contingent Claims.....	7,456,815.50
Reserve for Outstanding Premiums.....	754,890.91
Reserve for Expenses and Taxes.....	1,238,333.92
Reinsurance and other Accounts Payable.....	272,155.12
	<hr/>
	\$33,443,314.20

\*Minority Interest in Subsidiary Companies consists of:

- 211 Shares New York Casualty Company Stock
- 692 Shares Canadian Surety Company Stock
- 25 Shares Compania Mexicana de Garantias, S. A. Stock.

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1930

## RESOURCES

Mortgage Loans on Real Estate.....	\$1,007,550.00	
Securities at Market Value:		
Bonds.....	\$2,170,030.80	
Stocks.....	1,799,162.50	3,969,193.30
Premiums in Course of Collection.....		683,016.39
Cash in Banks and Offices.....		169,608.07
Reinsurance and other Accounts Receivable.....		12,603.12
Accrued Interest Receivable.....		42,660.48
		<hr/>
		\$5,884,631.36

## LIABILITIES

Capital Stock (60,000 shares. Par Value \$25.00 per share) .....	\$1,500,000.00	
Surplus and Undivided Profits.....	715,402.95	
Reserve for Unearned Premiums.....	1,287,055.94	
Reserve for Contingent Claims.....	1,905,436.21	
Reserve for Outstanding Premiums.....	282,877.88	
Reserve for Expenses and Taxes.....	186,393.13	
Reinsurance and other Accounts Payable .....	7,465.25	
		<hr/>
		\$5,884,631.36

NOTE: American Surety Company of New York owns 59,789 of the 60,000 shares of capital stock of this Company, and carries the same at \$16.67 per share.

The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$2,859,929.74	(Decrease \$185,073.51)
From Interest and Dividends...	287,806.83	(Decrease \$ 17,987.99)
<u>INCOME.....</u>		<u>\$3,147,736.57</u>
OUTGO:		
For Expenses.....	\$1,630,963.55	(Increase \$116,690.74)
For Taxes.....	61,999.79	(Decrease \$ 13,478.48)
For Gross Losses \$2,295,793.87		(Increase \$454,044.49)
Less Cash Salvage 46,881.50		(Decrease \$ 33,475.52)
<u>Net Losses.....</u>		<u>2,248,912.37</u> (Increase \$487,520.01)
<u>OUTGO.....</u>		<u>\$3,941,875.71</u>
EXCESS OF OUTGO OVER INCOME.....		\$ 794,139.14
DECREASE IN:		
Reserve for Unearned Premiums \$	173,516.15	
INCREASE IN:		
Reserve for Overdue Premiums.	62,907.70	\$ 110,608.45
Agents Balances charged off.....	37,929.95	72,678.50
		<u>\$ 721,460.64</u>
Decrease in Value of Securities		
Unsold.....	\$ 728,142.95	
Less Profit on Securities Sold.....	15,673.84	\$ 712,469.11
<u>Transferred from Voluntary Special Reserve....</u>		<u>300,000.00</u> 412,469.11
Reduction in Surplus before Payment of Dividends.....		\$1,133,929.75
Dividends Paid.....		90,000.00
<u>Decrease in Surplus.....</u>		<u>\$1,223,929.75</u>



The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$566,744.11	(Increase \$ 44,291.88)
From Dividends and Interest.....	61,866.93	(Increase \$ 10,151.56)
	<hr/>	
INCOME.....		\$628,611.04
OUTGO:		
For Expenses.....	\$317,287.93	(Increase \$ 33,394.41)
For Taxes.....	10,199.44	(Increase \$ 1,684.36)
For Gross Losses.....	\$343,232.94	(Increase \$110,338.62)
Less Cash Salvage.....	45,220.98	(Increase \$ 11,823.87)
Net Losses.....	<hr/> 298,011.96	(Increase \$ 98,514.75)
	<hr/>	
OUTGO.....		\$625,499.33
EXCESS OF INCOME OVER OUTGO.....		\$ 3,111.71
(Decrease \$79,150.08)		
INCREASE IN:		
Reserve for Unearned Premiums.....	\$ 24,117.11	
Reserve for Outstanding Premiums...	5,927.01	\$ 30,044.12
	<hr/>	
DECREASE IN:		
Reserve for Expenses and Taxes.....	3,333.20	26,710.92
	<hr/>	
		\$23,599.21
Increase in Value of Securities Unsold.....	\$ 14,133.89	
Profit on Debentures Sold.....	935.15	15,069.04
	<hr/>	
Reduction in Surplus before Payment of Dividends .....		\$ 8,530.17
Dividends Paid.....		45,000.00
		<hr/>
Decrease in Surplus.....		<u><u>\$53,530.17</u></u>

## THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1930

### RESOURCES

Bonds and Debentures at Market Value.....	\$1,177,510.84
Premiums in Course of Collection.....	85,921.41
Cash in Banks and Offices.....	40,169.04
Reinsurance Receivable.....	134,967.40
Accrued Interest Receivable.....	12,805.30
	<hr/>
	\$1,451,373.99

### LIABILITIES

Capital Stock (5000 shares Par Value \$100.00 per share).....	\$	500,000.00
Surplus and Undivided Profits.....	\$301,092.24	
Voluntary Special Reserve.....	30,000.00	331,092.24
	<hr/>	
Reserve for Unearned Premiums.....	263,633.91	
Reserve for Contingent Claims.....	291,483.97	
Reserve for Outstanding Premiums.....	22,013.03	
Reserve for Expenses and Taxes.....	22,214.59	
Reinsurance Payable.....	20,936.25	
	<hr/>	
	\$1,451,373.99	

NOTE: American Surety Company of New York owns 4242 of the 5000 shares of capital stock of this Company, and carries the same at \$120.00 per share.

The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums.....	\$335,440.27	(Increase \$45,089.47)
From Dividends, Interest and Rents, less Operating Cost.....	46,870.14	(Increase \$ 4,843.92)
INCOME.....	<u>\$382,310.41</u>	
OUTGO:		
For Expenses and Taxes.....	\$118,364.70	(Increase \$13,203.99)
For Gross Losses.....	\$192,105.83	(Increase \$25,628.63)
Less Cash Salvage.....	43,563.51	(Increase \$ 8,807.34)
Net Losses.....	<u>148,542.32</u>	(Increase \$16,821.29)
OUTGO.....	<u>\$266,907.02</u>	
Excess of Income over Outgo.....		\$115,403.39
(Increase \$19,908.11)		
INCREASE IN:		
Reserve for Unearned Premiums.....	\$ 9,891.74	
Reserve for Depreciation of Building.....	4,293.22	14,184.96
		<u>\$101,218.43</u>
Decrease in Value of Securities Unsold.....	\$ 43,994.87	
Loss on Securities and Real Estate Sold.....	2,898.63	\$ 46,893.50
		<u>\$ 54,324.93</u>
Balance for Final Disposition.....		\$ 54,324.93
Dividends Paid.....	\$ 30,000.00	
Legal Fund Provision.....	11,500.00	41,500.00
		<u>\$ 12,824.93</u>
Increase in Surplus .....		<u><u>\$ 12,824.93</u></u>

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States)

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1930

(Converted into United States Currency, in the ratio of Two Pesos, Mexican, to One Dollar, United States)

RESOURCES

Real Estate.....	\$157,500.00
Bonds and Stocks at Market Value.....	286,704.45
Premiums in Course of Collection.....	45,645.42
Cash in Banks and Office.....	56,540.01
Cash Deposits under Law.....	58,950.00
Mortgage Loans.....	141,025.01
Reinsurance and other Accounts Receivable.....	15,845.09
Accrued Interest Receivable.....	11,374.66
	<hr/>
	\$773,584.64

LIABILITIES

Capital Stock (5,000 shares. Par Value \$50.00 per share).....	\$250,000.00
Surplus and Undivided Profits.....	\$154,571.76
Legal Fund Provision.....	<u>50,000.00</u>
	204,571.76
Reserve for Unearned Premiums.....	194,760.72
Reserve for Contingent Claims.....	111,841.04
Reserve for Expenses and Taxes.....	4,699.25
Reinsurance and other Accounts Payable.....	<u>7,711.87</u>
	\$773,584.64

NOTE: American Surety Company of New York owns 4975 of the 5000 shares of capital stock of this Company, and carries the same at par.



The revenue accounts of THE AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends..... \$36,680.99

OUTGO:

For Expenses and Interest..... \$ 384.81  
For Taxes..... 2,096.38 2,481.19

EXCESS OF INCOME OVER OUTGO..... \$34,199.80

Deduct Decrease in Value of Securities Unsold..... \$63,300.00

Less Profit on Securities Sold..... 6,641.47

Dividends Paid..... \$56,658.53  
\$11,500.00 68,158.53

DEDUCTED FROM SURPLUS..... \$33,958.73

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1930

### RESOURCES

Bonds and Stocks at Market Value..... \$191,290.00  
Cash in Banks..... 165,215.49  
Mortgage and other Secured Loans..... 268,183.66

\$624,689.15

### LIABILITIES

Capital Stock (11,500 shares. Par Value \$50.00 per share)..... \$575,000.00  
Surplus..... 49,689.15

\$624,689.15

NOTE: American Surety Company of New York owns all of the capital stock of this Company and carries the same at par.

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	MARKET VALUE
\$ 668,000	U. S. of America 4th Liberty Loan (Registered) 4½%, 1938.....	\$ 691,797.50
132,000	U. S. of America 4th Liberty Loan (Coupon) 4½%, 1938.....	136,743.75
\$ 800,000		\$ 828,541.25

## STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS

\$ 500,000	City of New York Exempt Corporate Stock (Reg.) 4%, 1977.....	\$ 497,500.00
20,000	City of Winnipeg, Dominion of Canada Cons. Deb. 5%, 1943.....	19,600.00
50,000	Dominion of Canada 10 year 4½%, 1936.....	50,062.50
50,000	N. Y. State Canal Improvement (Reg.) 3%, 1958.....	48,500.00
10,000	Porto Rico Irrigation Gold Loan of 1915 Series "F" (Reg.) 4%, 1956	9,562.50
5,000	Porto Rico Public Improvement Series "A" 5%, 1945.....	5,293.75
10,000	Porto Rico Workingmen's House Construction Series "B" 4½%, 1942	10,125.00
\$ 645,000		\$ 640,643.75

## RAILROAD BONDS

\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. (Reg.) 4%, 1939.....	\$ 46,000.00
200,000	Baltimore & Ohio R. R. Co. 30 year Conv. 4½%, 1960.....	184,500.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge. Series "D" 5%, 2000	50,750.00
100,000	Canadian National Ry. Co. 30 year Guaranteed 4½%, 1957.....	98,250.00
100,000	Canadian Northern Ry. Co. 10 year Guaranteed 4½%, 1935.....	100,125.00
100,000	Canadian Northern Ry. (Winnipeg Terminals) 4%, 1939.....	93,000.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	49,000.00
250,000	Chicago, Rock Island & Pacific Ry. Co. 30 year Conv. 4½%, 1960..	216,250.00
50,000	Chicago Union Station Co. 1st Mortgage Series "B" 5%, 1963.....	52,062.50
480,000	Chicago & North Western Ry. Co. 20 year Conv. 4¾%, 1949.....	417,600.00
49,000	Cleveland Union Term. Co. 1st Mtge. S. F. Series "A" 5½%, 1972..	52,920.00
50,000	Erie R. R. Co. First Consolidated General Lien 4%, 1996.....	41,500.00
25,000	Erie & Jersey R. R. Co. 1st Mtge. 50 year S. F. 6%, 1955.....	27,250.00
50,000	Great Northern Ry. Co. General Mortgage Series "A" 7%, 1936...	54,625.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	24,718.75
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977....	193,000.00
50,000	Pennsylvania R. R. Co. 40 year Secured 5%, 1964.....	51,875.00
25,000	St. Louis Southwestern Ry. Co. 1st Cons. Mtge. 4%, 1932.....	24,875.00

PAR VALUE	RAILROAD BONDS—Continued	MARKET VALUE
\$ 200,000	Southern Pacific Co. 40 year (with warrants) 4½%, 1969.....	\$ 195,000.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956..	43,125.00
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	25,187.50
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	49,875.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	45,750.00
<hr/> \$2,279,000		<hr/> \$2,137,238.75

#### PUBLIC UTILITY BONDS

\$ 100,000	American & Foreign Power Co., Inc. Deb. 5%, 2030 .....	\$ 76,500.00
50,000	American Telephone & Telegraph Co. 35 year S. F. Deb. 5%, 1960..	52,437.50
100,000	Brooklyn-Manhattan Transit Corp. 3 year Secured 6½%, 1932 ....	98,500.00
125,000	Brooklyn-Manhattan Transit Corp. Rapid Transit Security S. F. Series "A" 6%, 1968.....	123,125.00
100,000	Consolidated Gas Co. of N. Y. 20 year Deb. 5½%, 1945.....	107,000.00
50,000	Duquesne Light Co. 1st Mortgage Series "A" 4½%, 1967.....	51,750.00
25,000	Milwaukee Gas Light Co. 1st Mortgage 4½%, 1967.....	25,625.00
100,000	New York Edison Co. 1st Lien & Ref. Mtge. Series "B" 5%, 1944..	105,375.00
100,000	New York Gas & Elec. Lgt., Heat & Pwr. Co. 1st Mtge. 5%, 1948..	106,875.00
34,000	New York Telephone Co. 30 year S. F. Deb. 6%, 1949.....	37,910.00
100,000	Western Union Telegraph Co. 25 year 5%, 1951.....	103,750.00
<hr/> \$ 884,000		<hr/> \$ 888,847.50



PAR  
VALUE

# MISCELLANEOUS BONDS

MARKET  
VALUE

\$ 100,000	Abraham & Straus, Inc. 15 year Deb. 5½%, 1943.....	\$ 90,125.00
50,000	Allis Chalmers Manufacturing Co. 10 year Deb. 5%, 1937.....	50,000.00
200,000	American International Corp. Conv. Deb. 5½%, 1949.....	176,000.00
82,000	American Sugar Refining Co. 15 year 6%, 1937.....	85,382.50
100,000	Armour & Co. of Delaware 1st Mtge. 20 year Guaranteed Series "A" 5½%, 1943.....	72,125.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	65,000.00
50,000	Chicago Pneumatic Tool Co. 15 year S. F. Deb. 5½%, 1942.....	48,500.00
100,000	Commercial Investment Trust Corp. Conv. Deb. 5½%, 1949.....	91,500.00
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1932	24,250.00
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1933	24,125.00
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1934	24,062.50
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1935	24,000.00
50,000	General Cable Corp. 1st Mtge. S. F. Series "A" 5½%, 1947.....	46,250.00
10,000	General Motors Acceptance Corp. Notes Series "E" 5%, 1931.....	10,012.50
25,000	General Motors Acceptance Corp. Notes Series "H" 5%, 1934.....	24,937.50
25,000	General Motors Acceptance Corp. Notes Series "I" 5%, 1935.....	24,937.50
50,000	Inspiration Consolidated Copper Co. 5 year Notes 6½%, 1931.....	49,437.50
100,000	Pure Oil Co. 10 year S. F. Notes, 5½% 1940.....	88,000.00
200,000	Texas Corporation Conv. S. F. Deb. 5%, 1944.....	200,000.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. 4½%, 1931.....	4,950.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. 4½%, 1932.....	4,875.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. 4½%, 1933.....	4,837.50
5,000	Union Tank Car Co. Equipment Trust Ctfs. 4½%, 1934.....	4,812.50
5,000	Union Tank Car Co. Equipment Trust Ctfs. 4½%, 1935.....	4,800.00
5,000	Union Tank Car Co. Equipment Trust Ctfs. 4½%, 1936.....	4,775.00
100,000	Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" 5%, 1978..	101,750.00
<hr/> \$1,472,000		<hr/> \$1,349,445.00



## RAILROAD STOCKS

MARKET  
VALUE

3,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Non-Cum. Pfd.	\$ 306,750.00
1,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Common	178,500.00
1,000 Shares	Baltimore & Ohio R. R. Co. Non-Cum. Pfd.	69,000.00
1,000 Shares	Chicago, Rock Island & Pacific Railway Co. Pfd.	82,000.00
2,000 Shares	Chicago & North Western Railway Co. Common	68,000.00
2,000 Shares	Delaware, Lackawanna & Western R. R. Co.	164,000.00
3,000 Shares	Erie R. R. Co. Non-Cum. First Pfd.	113,250.00
2,000 Shares	Hudson & Manhattan R. R. Co. Common	75,500.00
3,300 Shares	New York Central R. R. Co.	377,850.00
1,000 Shares	N. Y., N. H. & H. R. R. Co. Cum. Pfd.	110,000.00
2,000 Shares	N. Y., N. H. & H. R. R. Co. Common	150,000.00
2,000 Shares	Northern Pacific Railway Co. Common	94,000.00
5,625 Shares	Pennsylvania R. R. Co.	317,812.50
2,100 Shares	Reading Co. Common	168,000.00
2,000 Shares	St. Louis-San Francisco Railway Co. Common	81,000.00
2,000 Shares	Southern Pacific Co. Common	186,000.00
4,000 Shares	Southern Railway Co. Non-Cum. Pfd	340,000.00
7,000 Shares	Southern Railway Co. Common	345,625.00
1,000 Shares	Texas & Pacific Railway Co. Common	85,000.00

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\$3,312,287.50

## PUBLIC UTILITY STOCKS

1,000 Shares	American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..	\$ 75,250.00
2,000 Shares	Brooklyn-Manhattan Transit Corp. Cum. Pfd. Series "A"	178,250.00
834 Shares	Commonwealth & Southern Corp. Pfd.	76,415.25
4,000 Shares	Consolidated Gas Co. of N. Y. Cumulative Pfd.	408,500.00
2,000 Shares	Consolidated Gas Co. of N. Y. Common	168,000.00
1,000 Shares	Duquesne Light Co. Cum. First Pfd.	101,500.00
1,400 Shares	Engineers Public Service Co. Convertible Pfd.	110,775.00
1,000 Shares	New York Telephone Co. Cum. Pfd.	113,000.00
1,000 Shares	The United Corporation Cum. Pfce.	44,125.00
1,000 Shares	The United Corporation Common	16,500.00

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\$1,292,315.25

## BANK STOCKS

7,032 Shares	Chase National Bank and Chase Securities Corp. of New York	\$ 601,236.00
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MISCELLANEOUS STOCKS		MARKET VALUE
1,000 Shares Allied Chemical & Dye Co. Cum. Pfd.	..\$	101,000.00
500 Shares American Ice Co. Non-Cum. Pfd.	.....	35,000.00
1,000 Shares American Locomotive Co. Cum. Pfd.	.....	70,000.00
1,000 Shares American Smelting & Refining Co. Cum. Second Pfd.	.....	93,500.00
500 Shares American Sugar Refining Co. Cum. Pfd.	.....	47,500.00
1,000 Shares E. I. du Pont de Nemours & Co. Cum. Non-Voting Deb.	.....	118,500.00
2,700 Shares General Motors Corp. Pfd.	.....	253,800.00
2,000 Shares Pullman, Inc.	.....	100,000.00
3,000 Shares Tri-Continental Corp. Cum. Pfd.	.....	278,250.00
2,500 Shares United States Steel Corp. Common.	.....	348,750.00
		<u>\$1,446,300.00</u>

#### STOCKS OF AFFILIATED COMPANIES

11,500 Shares Amsuco Securities Company.	..\$	575,000.00
4,242 Shares Canadian Surety Company.	.....	509,055.82
4,975 Shares Compania Mexicana de Garantias, S. A.	.....	248,750.00
59,789 Shares New York Casualty Company.	.....	996,682.63
		<u>\$2,329,488.45</u>

#### PAR VALUE

#### RECAPITULATION

\$ 800,000 U. S. Government Bonds.	..\$	828,541.25
645,000 State, County, Province and Municipal Bonds.	.....	640,643.75
2,279,000 Railroad Bonds.	.....	2,137,238.75
884,000 Public Utility Bonds.	.....	888,847.50
1,472,000 Miscellaneous Bonds.	.....	1,349,445.00
\$6,080,000 Total of Bonds.	.....	<u>\$5,844,716.25</u>
Railroad Stocks.	.....	\$3,312,287.50
Public Utility Stocks.	.....	1,292,315.25
Bank Stocks.	.....	601,236.00
Miscellaneous Stocks.	.....	1,446,300.00
Stocks of Affiliated Companies.	.....	<u>2,329,488.45</u>
Total of Stocks.	.....	<u>\$8,981,627.20</u>
GRAND TOTAL OF BONDS AND STOCKS OWNED BY AMERICAN SURETY COMPANY OF NEW YORK.		<u>\$14,826,343.45</u>

# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	MARKET VALUE
\$ 248,725	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1931	\$ 248,725.00
404,325	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1932	404,325.00
261,000	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1933	261,000.00
93,500	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1934	93,500.00
<hr/>		<hr/>
\$1,007,550		\$1,007,550.00

## U. S. GOVERNMENT BONDS

\$ 442,000	U. S. of America 4th Liberty Loan (Registered) $4\frac{1}{4}\%$ , 1938.....	\$ 456,144.00
8,000	U. S. of America 4th Liberty Loan (Coupon) $4\frac{1}{4}\%$ , 1938.....	8,256.80
<hr/>		<hr/>
\$ 450,000		\$ 464,400.80

## STATE AND PROVINCIAL BONDS

\$ 100,000	New York State Highway Improvement Loan $3\%$ , 1956.....	\$ 98,000.00
160,000	Province of Ontario, Canada (Registered) $5\%$ , 1960.....	166,400.00
<hr/>		<hr/>
\$ 260,000		\$ 264,400.00

## RAILROAD BONDS

\$ 50,000	Ann Arbor R. R. Co. 1st Mortgage $4\%$ , 1995.....	\$ 39,812.50
20,000	Atlantic & Danville Ry. Co. 1st Mortgage $4\%$ , 1948.....	9,800.00
50,000	Baltimore & Ohio R. R. Co., Toledo & Cincinnati Division, 1st Lien & Ref. Mortgage Series "A" $4\%$ , 1959.....	41,000.00
50,000	Boston & Maine R. R. Co. 1st Mortgage $5\%$ , 1955.....	49,312.50
20,000	Erie R. R. Co. Equip. Notes, Series of 1933, $6\%$ , 1933.....	20,200.00
20,000	Great Northern Ry. Co. Gen. Mortgage Series "C" $5\%$ , 1973.....	20,750.00
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mtge. Series "A" $5\%$ , 1957.....	29,362.50
20,000	Illinois Central R. R. Co. & Chicago, St. Louis & N. O. R. R. Co. Joint 1st Ref. Mtge. Series "A" $5\%$ , 1963.....	19,750.00
50,000	Kansas, Ft. Scott & Memphis Ry. Co. Ref. Mtge. $4\%$ , 1936.....	48,000.00
40,000	Long Island R. R. Co. Ref. Mortgage $4\%$ , 1949.....	36,850.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Cons. Mortgage 50 year $4\%$ , 1938.....	16,800.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" $6\%$ , 1946.....	16,000.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage $4\%$ , 1975.....	13,800.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mtge. Series "A" $5\frac{1}{2}\%$ , 1954.....	49,250.00
20,000	New York Central R. R. Ref. & Imp. Mtge. Series "C" $5\%$ , 2013..	21,400.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mtge. Series "A" $5\frac{1}{2}\%$ , 1974.....	50,500.00



# NEW YORK CASUALTY COMPANY—Continued

PAR  
VALUE

## RAILROAD BONDS—Continued

MARKET  
VALUE

\$ 30,000	N. Y., Ontario & Western Ry. Co. Ref. Mtge. 4%, 1992.....	\$ 12,000.00
20,000	Pere Marquette Ry. Co. 1st Mtge. Series "A" 5%, 1956.....	20,700.00
50,000	St. Louis, San Francisco Ry. Co. P. L. Mtge. Series "A" 4%, 1950..	43,687.50
50,000	Seaboard Air Line Ry. Co. 1st Mtge. 50 year 4%, 1950.....	19,625.00
10,000	Southern Pacific Co. 40 year 4½%, 1969.....	9,725.00
20,000	Southern Pacific Co. Central Pacific Collateral 4%, 1949.....	18,250.00
20,000	Southern Ry. Co. Dev. & Gen. Mortgage 6½%, 1956.....	22,950.00
20,000	Virginian Ry. Co. 1st Mortgage Series "A" 5%, 1962.....	21,050.00
50,000	Wabash R. R. Co. 1st Mortgage 50 year 5%, 1939.....	51,500.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	46,312.50
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	25,937.50

\$ 900,000		\$ 774,325.00
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## PUBLIC UTILITY BONDS

\$ 50,000	Columbus Gas Co. 1st Mortgage 40 year 5%, 1932.....	\$ 47,500.00
50,000	Commonwealth Edison Co. 1st Mortgage Collateral Series "C" 4½%, 1956.....	50,500.00
50,000	Louisville Gas & Elec. Co. 1st & Ref. Mtge. Series "A" 5%, 1952....	51,750.00
20,000	Pacific Gas & Elec. Co. Gen. & Ref. Mtge. Series "A" 5%, 1942....	20,550.00
50,000	Standard Gas & Elec. Co. of Delaware 6%, 1951.....	49,625.00
50,000	Texas Power & Light Co. 1st Mortgage 25 year 5%, 1937.....	49,500.00
50,000	Western Union Telegraph Co. 25 year 5%, 1951.....	51,000.00

\$ 320,000		\$ 320,425.00
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## MISCELLANEOUS BONDS

\$ 50,000	American Smelting & Ref. Co. 1st Mtge. Series "A" 5%, 1947....	\$ 51,000.00
50,000	Armour & Co. Real Estate 1st Mortgage 30 year 4½%, 1939.....	43,375.00
50,000	Goodyear Tire & Rubber Co. 1st Mtge. Collateral Trust 5%, 1957..	43,500.00
20,000	Lackawanna Steel Co. 1st Cons. Mtge. Series "A" 5%, 1950.....	20,300.00
20,000	Morris & Co. 1st Mortgage Sinking Fund 4½%, 1939.....	15,825.00
142,200	One Fifth Avenue Corp. of N. Y. 1st Mortgage 5%, 1940.....	127,980.00
50,000	Phillips Petroleum Co. Deb. Sinking Fund 5¼%, 1939.....	44,500.00

\$ 382,200		\$ 346,480.00
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## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 89,250.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	41,475.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	78,250.00
500 Shares	Chicago & North Western Railway Co. Common.....	17,250.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. Pfd.....	46,500.00
500 Shares	Great Northern Railway Co. Pfd.....	29,312.50



# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

	MARKET VALUE
500 Shares Illinois Central R. R. Co. Common.....	\$ 35,250.00
500 Shares Missouri, Kansas, Texas R. R. Co. Pfd. "A".....	35,000.00
500 Shares Missouri Pacific R. R. Co. Cumulative Pfd.....	43,500.00
650 Shares New York Central R. R. Co. Common.....	74,425.00
500 Shares N. Y., N. H. & H. R. R. Co. Pfd.....	55,000.00
500 Shares Norfolk & Western Railway Co. Common.....	98,500.00
500 Shares Northern Pacific Railway Co. Common.....	23,875.00
600 Shares Pennsylvania R. R. Co.....	33,750.00
500 Shares St. Louis-San Francisco Railway Co. Common.....	20,500.00
500 Shares Southern Pacific Co. Common.....	46,875.00
500 Shares Southern Railway Co. Common.....	25,375.00
500 Shares Union Pacific Railway Co. Common.....	90,000.00

\$ 884,087.50

## PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. Pfd.....	\$ 21,000.00
500 Shares American Water Works & Electric Co., Inc., Pfd.....	50,000.00
500 Shares Buffalo, Niagara & Eastern Power Corp. 1st Pfd.....	47,500.00
1,100 Shares Consolidated Gas Co. Common.....	92,400.00
200 Shares Electric Bond & Share Co. Pfd.....	18,200.00
200 Shares Electric Power & Light Co. Pfd.....	17,200.00
500 Shares Electric Power & Light, Augusta, Me., Common.....	19,500.00
500 Shares Federal Light & Traction Co. of N. Y. Pfd.....	44,000.00
500 Shares North American Co. Pfd.....	26,500.00
500 Shares Standard Gas & Electric Co. Cum. Pfd.....	28,875.00
500 Shares United Corporation Pfd.....	22,250.00
600 Shares United Gas Improvement Co. Common.....	16,800.00

\$ 404,225.00

## BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 31,500.00
500 Shares Chase National Bank and Chase Securities Corp. of New York ..	42,750.00
10 Shares First National Bank, New York City.....	34,750.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	25,200.00
65 Shares Guaranty Trust Co., New York City.....	28,275.00
1,750 Shares Manhattan Co., New York City.....	133,000.00

\$ 295,475.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

	MARKET VALUE
500 Shares American Smelting & Refining Co. ....	\$ 20,500.00
500 Shares Anaconda Copper Mining Co. ....	15,000.00
500 Shares Eastman Kodak Co. ....	73,500.00
500 Shares Kennecott Copper Co. ....	11,625.00
500 Shares Pullman, Inc. ....	25,250.00
1,000 Shares Standard Oil Co. of New Jersey ....	47,125.00
1,000 Shares Standard Oil Co. of New York. ....	22,375.00
	<hr/>
	\$ 215,375.00

## RECAPITULATION

<u>\$1,007,550</u> Mortgage Loans. ....	<u>\$1,007,550.00</u>
450,000 U. S. Government Bonds. ....	464,400.80
260,000 State and Provincial Bonds. ....	264,400.00
900,000 Railroad Bonds. ....	774,325.00
320,000 Public Utility Bonds. ....	320,425.00
382,200 Miscellaneous Bonds. ....	346,480.00
<u>\$2,312,200</u> Total of Bonds. ....	<u>\$2,170,030.80</u>
Railroad Stocks. ....	\$ 884,087.50
Public Utility Stocks. ....	404,225.00
Bank and Trust Company Stocks. ....	295,475.00
Miscellaneous Stocks. ....	215,375.00
Total of Stocks. ....	<u>\$1,799,162.50</u>
GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY. ....	\$4,976,743.30

# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	MARKET VALUE
\$ 25,000.00	Dominion of Canada Victory Loan, 5½%, 1934.....	\$25,750.00
25,000.00	Canadian National Railway Guaranteed by Dominion of Canada, 5%, 1969.....	26,750.00
5,000.00	Canadian National Railway Equipment Guaranteed by Dominion of Canada, 5%, 1939.....	5,100.00
15,000.00	Canadian National Railway Guaranteed by Dominion of Canada, 5%, 1935.....	15,150.00
15,000.00	Grand Trunk Railway Guaranteed by Dominion of Canada, 6%, 1936..	16,050.00
5,000.00	Province of Alberta, 4½%, 1956.....	4,900.00
2,000.00	Province of Manitoba Drainage District, 4%, 1933.....	1,980.00
10,000.00	Province of New Brunswick, 5%, 1959.....	10,500.00
10,000.00	Province of New Brunswick, 3%, 1939.....	8,900.00
5,000.00	Province of Nova Scotia, 5%, 1960.....	5,300.00
10,000.00	Province of Ontario, 6%, 1935.....	10,500.00
25,000.00	Province of Ontario, 5%, 1959.....	26,750.00
4,000.00	Province of Ontario, 4½%, 1944.....	4,000.00
10,000.00	Hydro-Electric Power Commission of Ontario Guaranteed by Province of Ontario, 6%, 1941.....	11,100.00
25,000.00	Hydro-Electric Power Commission of Ontario Guaranteed by Province of Ontario, 4%, 1957.....	23,000.00
5,000.00	Province of Saskatchewan, 6%, 1936.....	5,300.00
25,000.00	Kingdom of Norway, 5%, 1963.....	25,250.00
<hr/>		<hr/>
\$221,000.00		\$226,280.00

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.....	\$ 9,800.00
10,000.00	City of Brandon, Manitoba, 5%, 1933.....	10,000.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.....	2,060.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942.....	960.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	1,940.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,040.00
1,000.00	City of Edmonton, Alberta, 5%, 1933.....	1,000.00
10,000.00	City of Edmonton, Alberta, 4%, 1945.....	9,000.00
973.33	City of Calgary, Alberta, 4½%, 1941.....	944.13
2,433.32	City of Calgary, Alberta, 4½%, 1942.....	2,335.99



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 2,433.33	City of Calgary, Alberta, 5%, 1943.....	\$ 2,433.33
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	1,900.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.....	3,800.00
5,000.00	City of Galt, Ontario, 5½%, 1936.....	5,150.00
5,000.00	City of Galt, Ontario, 5%, 1937.....	5,050.00
4,014.75	City of Guelph, Ontario, 5%, 1932.....	4,014.75
6,000.00	City of Halifax, Nova Scotia, 6%, 1931.....	6,000.00
5,000.00	City of Halifax, Nova Scotia, 5%, 1961.....	5,150.00
10,000.00	City of Hamilton, Ontario, 5%, 1938-39.....	10,100.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	1,790.93
10,000.00	City of Kitchener, Ontario, 4½%, 1937.....	9,800.00
10,000.00	Montreal Metropolitan Commission, 5%, 1966.....	10,500.00
21,009.82	City of Niagara Falls, Ontario, 5½%, 1931-38.....	21,430.02
10,000.00	City of North Bay, Ontario, 5%, 1938-41.....	10,100.00
2,000.00	City of North Bay, Ontario, 5%, 1942-43.....	2,020.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,540.00
730.05	City of Oshawa, Ontario, 6%, 1931.....	737.35
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	5,000.00
2,000.00	City of Oshawa, Ontario, 5½%, 1946.....	2,120.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,030.00
2,000.00	City of Port Arthur, Ontario, 5%, 1937.....	2,000.00
10,000.00	City of Peterborough, Ontario, 4¼%, 1939.....	9,600.00
7,000.00	Portage Industrial Exhibition Guaranteed by City of Portage la Prairie, Manitoba, 5%, 1934.....	6,930.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	5,250.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951.....	1,785.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	4,750.00
5,700.00	City of Stratford, Ontario, 4½%, 1932.....	5,700.00
4,000.00	City of St. Catharines, Ontario, 4%, 1935.....	3,880.00
5,000.00	City of Sarnia, Ontario, 6%, 1939.....	5,400.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	14,100.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,080.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952.....	5,775.00
5,000.00	City of Toronto, Ontario, 6%, 1935.....	5,250.00
15,000.00	City of Toronto, Ontario, 5%, 1945.....	15,600.00
50,000.00	City of Toronto, Ontario, 6%, 1945.....	56,500.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 14,600.00	City of Toronto, Ontario, 4%, 1948.....	\$13,578.00
13,000.00	City of Toronto, Ontario, 5%, 1953.....	13,650.00
10,000.00	Toronto Harbor Commission Guaranteed by City of Toronto, 4½%, 1953 or earlier.....	9,900.00
9,733.33	City of Victoria, B. C., 4%, 1936.....	9,344.00
15,000.00	City of Victoria, B. C., 5½%, 1941.....	15,900.00
1,000.00	City of Victoria, B. C., 5½%, 1941.....	1,060.00
1,000.00	City of Victoria, B. C., 5½%, 1945.....	1,070.00
2,000.00	City of Welland, Ontario, 4½%, 1939.....	1,940.00
1,703.33	City of Winnipeg, Manitoba, Registered Stock, 4½%, 1943-63.....	1,652.23
9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946-49.....	10,661.69
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,280.00
3,000.00	Town of Collingwood, Ontario, 5%, 1944.....	3,030.00
3,000.00	Town of Cornwall, Ontario, 5%, 1943.....	3,030.00
3,000.00	Town of Cornwall, Ontario, 5%, 1944.....	3,030.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945.....	4,040.00
10,000.00	Town of Dundas, Ontario, 5%, 1948-49.....	10,100.00
8,000.00	Town of Estevan, Saskatchewan, 5%, 1942-43.....	7,280.00
5,000.00	Town of Lindsay, Ontario, 5½%, 1934.....	5,100.00
3,000.00	Town of Neepawa, Manitoba, 6%, 1944.....	3,000.00
10,000.00	Town of Owen Sound, Ontario, 4½%, 1932.....	10,000.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937-41.....	1,933.55
6,000.00	Town of Sandwich, Ontario, 5½%, 1945.....	6,180.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940-42.....	6,894.39
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	17,000.00
2,464.54	Town of Smith's Falls, Ontario, 5½%, 1933-35.....	2,513.83
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	5,050.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3%, 1937.....	3,250.00
1,735.24	Town of Watrous, Saskatchewan, 5½%, 1929-56.....	1,631.12
2,000.00	Town of Welland, Ontario, 5½%, 1934.....	2,040.00
6,145.49	Town of Weston, Ontario, 5%, 1947.....	6,206.94
10,000.00	Township of Barton, Ontario, 5%, 1944.....	10,100.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49.....	6,930.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	5,250.00
2,000.00	Township of Esquimalt, B. C., 5%, 1963.....	1,960.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 7,000.00	Township of Richmond, B. C., 4½%, 1959.....	\$ 6,510.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956.....	837.00
5,000.00	Township of Scarboro, Ontario, 5%, 1942.....	5,050.00
4,000.00	Township of York, Ontario, 6%, 1931.....	4,040.00
5,000.00	Greater Winnipeg Water District, 6%, 1940.....	5,450.00
7,000.00	District of North Vancouver, 5%, 1960.....	7,070.00
10,000.00	County of Essex, Ontario, 5½%, 1936.....	10,300.00
8,000.00	County of Haldimand, Ontario, 5%, 1934-37.....	8,080.00
11,000.00	United Counties of Lennox and Addington, 4½%, 1935-39 { 1935-7 6,237.00 1938-9 4,606.00	
5,000.00	County of Carleton, Ontario, 6%, 1939-44.....	5,400.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942.....	7,420.00
5,000.00	County of Norfolk, Ontario, 5%, 1932.....	5,000.00
<hr/>		<hr/>
\$ 580,058.20		\$ 587,932.55

## SCHOOL BONDS

\$ 7,000.00	Protestant School, Montreal, 4½%, 1943.....	\$ 6,790.00
7,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-53.....	7,840.00
10,346.29	School, St. Hyacinthe, Quebec, 4½%, 1953-60.....	9,518.59
5,000.00	Roman Catholic School, Toronto, Ontario, 5%, 1945.....	5,100.00
5,000.00	City of Hamilton, Ontario, Roman Catholic Separate School Board, 5%, 1949.....	5,050.00
<hr/>		<hr/>
\$ 34,346.29		\$ 34,298.59

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp., Toronto, 5¼%, 1935.....	\$ 10,000.00
20,000.00	Canada Permanent Mortgage Corp., Toronto, 5%, 1935.....	20,000.00
5,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1935.....	5,000.00
15,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1934.....	15,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1935.....	30,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1935.....	25,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1934.....	20,000.00
10,000.00	National Trust Company, Ltd., Toronto, 5¼%, 1934.....	10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1935.....	5,000.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	MARKET VALUE
\$ 25,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1934. . . . .	\$25,000.00
5,000.00	Union Trust Company, 5%, 1934. . . . .	5,000.00
10,000.00	Abitibi Power and Paper Company 1st Mortgage, 5%, 1953. . . . .	7,500.00
10,000.00	Canada Cement Company, Ltd. 1st Mortgage, 5½%, 1947 or earlier. . . . .	10,000.00
5,000.00	Canadian International Paper Company, 6%, 1949. . . . .	4,400.00
25,000.00	T. Eaton Realty Company, 5%, 1949. . . . .	24,000.00
35,000.00	Gatineau Power Company 1st Mortgage, 5%, 1956 or earlier. . . . .	32,900.00
10,000.00	Maple Leaf Milling Company, 5½%, 1949. . . . .	8,300.00
20,000.00	Massey-Harris Company, Ltd., Toronto, 5%, 1947 or earlier. . . . .	18,600.00
10,000.00	Simpson's Limited, 6%, 1949. . . . .	10,100.00
5,000.00	United Gas and Fuel Company of Hamilton, 1st Mortgage, 5½%, 1948. . . . .	4,850.00
5,000.00	Quebec Power Company, 1st Mortgage and Collateral Trust, 5%, 1968 or earlier. . . . .	5,050.00
5,000.00	St. Maurice Valley Corp. 1st Mortgage and Collateral Trust, 6%, 1945 or earlier. . . . .	4,650.00
5,000.00	United Grain Growers, Ltd. 1st Mortgage, 5%, 1948 or earlier. . . . .	4,350.00
<hr/> \$315,000.00		<hr/> \$304,700.00

## STOCKS

100 Shares	International Milling Company, 7%, Preferred. . . . .	10,300.00
200 Shares	Canadian General Electric Company, 7%, Preferred. . . . .	6,000.00
200 Shares	Canadian Pacific Railway Company, Common. . . . .	8,000.00
		<hr/> \$24,300.00

## RECAPITULATION

\$ 246,000.00	Government Bonds. . . . .	\$ 226,280.00
580,058.20	Municipal Bonds. . . . .	587,932.25
34,346.29	School Bonds. . . . .	34,298.59
315,000.00	Miscellaneous Bonds. . . . .	304,700.00
<hr/> \$1,175,404.49	TOTAL OF BONDS. . . . .	<hr/> \$1,153,210.84
	Stocks. . . . .	<hr/> 24,300.00

GRAND TOTAL OF BONDS AND STOCKS OWNED BY THE CANADIAN SURETY COMPANY. . . . . \$1,177,510.84



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

BONDS

PAR VALUE		MARKET VALUE
\$10,000	American International Corporation Conv. Deb. 5½%, 1949.....	\$ 8,700.00
10,000	American Power & Light Company Deb. 6%, 2016.....	10,150.00
20,000	American Telephone & Telegraph Company Deb. 5%, 1965.....	20,925.00
10,000	Baltimore & Ohio Conv. 4½%, 1960.....	9,200.00
10,000	Brooklyn-Manhattan Transit Corporation Notes 6½%, 1932.....	9,700.00
15,000	Brooklyn-Manhattan Transit Corporation Rapid Transit Secured S. F. Series "A" 6%, 1968.....	14,737.50
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975...	13,600.00
10,000	Chicago & North Western Ry. Conv. Series "A" 4¾%, 1949.....	17,450.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	8,550.00
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	7,850.00
88,000	Mexican Federal Government 5%, Exterior 1945.....	8,800.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955...	8,500.00
10,000	Ohio Edison 1st & Cons. 5%, 1960.....	9,900.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A," 5½%, 1952'....	10,150.00
10,000	St. Louis & San Francisco Cons. Series "A" 4½%, 1978.....	7,900.00
20,000	Southern Pacific Company 4½%, 1969.....	19,600.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	9,900.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	8,525.00
10,000	Wabash R. R. Company Ref. & Gen. Series "B" 5%, 1976.....	9,300.00
P 75,684	Banco Minero of Chihuahua.....	5,014.06
300,000	Mexican Federal Government 3%, 1925.....	7,500.00
1,100	Mexican Federal Government 5%, Interior Debt .....	27.50
{ 531,000	Mexican Federal Government 6%,	.50
{ 400,000	Participation Certificate 6%, .... }	
98,700	United Shoe & Leather Company 5%, 1941.....	33,064.89

STOCKS

100	Shares American Superpower 1st Preferred.....	8,000.00
84	Shares Commonwealth & Southern Corporation Preferred.....	7,560.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	9,600.00
1	Share Mexico City Country Club.....	2,500.00

TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A. ....\$286,704.45



# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	MARKET VALUE
\$10,000 Brooklyn-Manhattan Transit Corp., Series A, 6%, 1968.....	\$ 9,900.00
50,000 New England Power Association Deb., 5%, 1948.....	40,000.00

## STOCKS

1,500 Shares Amnyco Printing & Supply Corp.....	75,000.00
66 Shares Canadian Surety Company.....	9,700.00
100 Shares Engineers Public Service Co. Convertible Pfd.....	8,200.00
1,000 Shares International Paper & Power Co. Cumulative Pfd.....	35,000.00
600 Shares Lehigh Valley Coal Corp. Pfd.....	9,600.00
9 Shares Title Guaranty & Surety Co.....	90.00
200 Shares United Corporation Common.....	3,800.00
	<hr/>
	\$191,290.00

REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED

DECEMBER 31, 1931

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*President*

A. F. LAFRENTZ  
*First Vice-President*

### *Vice-Presidents*

RICHARD DEMING	W. E. McKELL
W. M. TOMLINS, JR.	C. E. MILLEN
E. F. WATSON	G. L. NAUGHT
F. J. PARRY	B. J. MCGINN
LEWIS H. PARRY	L. S. MOORE
M. L. JENKS	J. CARROLL FRENCH
D. H. COOK	E. H. TAYLOR

CHARLES W. GOETCHIUS	S. C. HEMSTREET
<i>Vice-President and Treasurer</i>	<i>Secretary</i>

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT  
CHARLES H. ALLEN  
JOHN ANDERSON  
GOODWIN B. BEACH  
EDWIN L. BLABON  
A. J. BROSEAU  
R. R. BROWN  
NEWCOMB CARLTON  
CLARENCE E. CHAPMAN  
T. JEFFERSON COOLIDGE  
RICHARD DEMING  
C. G. DuBOIS  
W. N. DYKMAN  
J. CARROLL FRENCH  
WALTER E. FREW  
ARCHIBALD R. GRAUSTEIN  
HUGH M. GRIMSHAW  
F. COIT JOHNSON  
HARRY A. KAHLER  
WALTER KASTEN  
JOHN L. KEMMERER  
F. M. KIRBY  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
EDWARD E. LOOMIS

L. F. LOREE  
JEREMIAH T. MAHONEY  
W. E. McKELL  
RICHARD B. MELLON  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
J. R. MORRON  
JOHN D. O'KEEFE  
SEWARD PROSSER  
JOHN J. RASKOB  
ANDREW W. ROBERTSON  
LINDSAY RUSSELL  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
R. A. C. SMITH  
VALENTINE P. SNYDER  
LANDON K. THORNE  
W. M. TOMLINS, JR.  
L. A. WATRES  
WILLIAM WHITING  
ALBERT H. WIGGIN  
BENJAMIN L. WINCHELL  
BRONSON WINTHROP  
WILLIAM H. WOODIN



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1931	1930	Increase	Decrease
Real Estate.....	\$ 8,300,000.00	\$ 8,300,000.00		
Bonds.....	5,244,345.94	5,844,716.25		\$ 600,370.31
Stocks.....	8,251,428.45	8,981,627.20		730,198.75
Premiums in Course of Collection.....	2,408,948.83	2,321,112.57	\$ 87,836.26	
Cash in Banks and Offices.....	1,028,623.92	1,408,727.83		380,103.91
Reinsurance and Other Accounts Receivable.	159,313.79	100,795.71	58,518.08	
Accrued Interest Receivable.....	82,970.88	91,243.95		8,273.07
	<hr/> \$25,475,631.81	<hr/> \$27,048,223.51		<hr/> \$1,572,591.70

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits.....	3,394,644.65	5,667,025.97		\$2,272,381.32
Reserve for Unearned Premiums.....	6,377,373.60	7,022,074.56		644,700.96
Reserve for Contingent Claims.....	5,437,517.99	4,148,054.28	\$1,289,463.71	
Special Claim Reserve..	1,000,000.00	1,000,000.00		
Reserve for Outstanding Premiums.....	550,000.00	450,000.00	100,000.00	
Reserve for Expenses and Taxes.....	885,997.99	1,025,026.95		139,028.96
Reinsurance and Other Accounts Payable....	330,097.58	236,041.75	94,055.83	
	<hr/> \$25,475,631.81	<hr/> \$27,048,223.51		<hr/> \$1,572,591.70

January 19, 1932.

TO THE BOARD OF TRUSTEES:

The results of the operations of our Company for the year ended December 31, 1931 (being the forty-eighth year of its operations), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums . . . . .	\$ 9,812,126.63	(Decrease \$ 426,371.48)
From Dividends, Interest and Rents, less Operating Cost . . . . .	1,515,414.82	(Decrease 216,933.87)
INCOME . . . . .	<u>\$11,327,541.45</u>	(Decrease 643,305.35)

OUTGO:		
For Expenses . . . . .	\$ 6,182,018.34	(Decrease 60,005.02)
For Taxes . . . . .	265,682.23	(Decrease 172,812.18)
For Gross Losses . . . . .	\$8,038,776.39	(Increase 1,597,515.26)
Less Cash Salvage . . . . .	<u>2,006,896.35</u>	(Increase 667,514.19)
Net Losses . . . . .	<u>6,031,880.04</u>	(Increase 930,001.07)
OUTGO . . . . .	<u>\$12,479,580.61</u>	(Increase 697,183.87)

EXCESS OF OUTGO OVER INCOME . . . . . \$1,152,039.16

DECREASE IN:

Reserve for Unearned Premiums . . . . .	\$ 644,700.96	
Reserve for Expenses . . .	<u>135,424.59</u>	\$780,125.55

INCREASE IN:

Reserve for Overdue Premiums . . . . .	100,000.00		
Reserve for Refunds . . .	<u>11,433.53</u>	<u>111,433.53</u>	<u>668,692.02</u>
Forward . . . . .			\$ 483,347.14

Brought forward.....	\$	483,347.14	
Decrease in Value of Securities Unsold	\$	733,879.63	
Appreciation taken prior to January 1, 1931.....	\$32,148.04		
On Securities which were later sold at a profit over cost of.....	26,365.54	5,782.50	
	\$	739,662.13	
Profit on Sundry Items.....	617.45		739,044.68
Reduction in Surplus before Payment of Dividends.....	\$1,222,391.82		
Dividends Paid.....	\$ 1,050,000.00		
Less Dividends on fractional Scrip Certificates.....	10.50		1,049,989.50
DECREASE IN SURPLUS.....	\$2,272,381.32		

Comparisons being with the preceding year, the foregoing report shows that, for the year under review, the Company had an income from net premiums of \$9,812,126.63, a decrease of \$426,371.48, or only 4.2%, which may be considered a good showing under the prevailing business conditions throughout the country.

The investment income (interest, dividends and net rentals) amounted to \$1,515,414.82, a decrease of \$216,933.87. This decrease resulted principally from dividend reductions and omissions by other companies in which this Company is a stockholder.

The foregoing item of investment income includes \$742,853.08 in net income (gross rentals, less taxes and operating expenses) from the Company's Home Office building, which amount is equivalent to a return of nearly 10% on the Company's capital stock.

Expenses for the year under review amounted to \$6,182,018.34, a decrease of \$60,005.02. The management is reducing expenses in every possible way consistent with the keeping together of its highly trained personnel and the



rendering to its patrons of the high quality of service to which they are entitled. The pay of all officers and employees receiving in excess of thirty-five dollars a week was cut ten per cent, effective October first; and the fees to members of the Board of Trustees for attendance at meetings were reduced one-half. In addition, economies are being effected, the results of which should be reflected in the Company's operations during 1932.

Net losses incurred amounted to \$6,031,880.04, an increase of \$930,001.07.

This increase is due in large measure to losses on depository bonds given for banks covering principally public funds. These bonds are required under laws, ordinances and regulations of public bodies. This Company enjoys the patronage of banks and trust companies, and over a long period of years its experience on depository bonds executed on behalf of these institutions has been favorable. In other periods of financial depression, losses on this class of business have also been abnormal, but substantial salvage recoveries in subsequent years have reduced the loss ratio to a normal figure.

This Company incurred during the past year depository bond losses of approximately \$2,600,000, and collected in cash salvage approximately \$770,000 on losses incurred during the past year and preceding years on this class of bonds, leaving net losses on depository bonds of approximately \$1,830,000. These losses will be further reduced by such salvage as may be collected in the future, which should be substantial.

The decrease in value of securities amounting to \$733,879.63 represents the amount which has been written off to adjust the value of the unsold securities to the fair market value under the standard promulgated by the National Convention of Insurance Commissioners.

The security item of \$13,495,774.39 in the Financial Statement represents the investments of the Company in stocks and bonds at their fair market value, which is based on June 30, 1931, market prices, with certain exceptions, being the standard promulgated by the National Convention of Insurance Commissioners at its meeting held December 8, 1931, and except that stocks of subsidiary companies are carried at par or cost, being in each instance less than book value.

The real estate item of \$8,300,000 represents the cost of the Company's unencumbered Home Office building at 100 Broadway, New York City, less depreciation from cost of \$1,173,188.57. The value allowed by the New York Insurance Department is \$9,230,000. The Company occupies five stories of



this building, for the use of which space it charges itself at the market rental-rate. Practically all of the remaining space is advantageously rented.

Against premiums in course of collection amounting to \$2,408,948.83 a reserve of \$550,000 is carried in liabilities for items which are due for more than ninety days and which are disallowed as an asset by the Insurance Department notwithstanding that many of these items are good.

The claim reserve of \$5,437,517.99 is considered ample for the discharge of the Company's liability in all cases of default that have been reported under its bonds and policies. In this connection it should be borne in mind that some of these losses will hereafter yield substantial salvage returns, as indicated by the fact that during the year under review the Company collected cash salvages amounting to \$2,006,896.35. Additionally, a special reserve in the sum of \$1,000,000 is carried to cover any latent claims of which the Company has no notice.

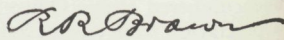
The Company has continued its policy of not treating salvage as a profit or carrying it as an asset until it is converted into cash.

It has been, and is, against the policy of the Company to engage in the business of guaranteeing mortgages. What may possibly be construed as exceptions to this policy have been so few that they may be regarded as negligible.

The Company has a goodwill which has been built up during a period of forty-seven years. It has an agency organization consisting of forty-five branch and service offices on a salary basis, and of more than fourteen thousand agents and attorneys on a commission basis. This organization, the expense of creating which has been charged off, is functioning in the production of a large volume of desirable business.

I commend the members of our home office and field forces for the exceptionally able manner in which they have performed their duties in another trying year; and I express to the members of this Board my appreciation of the continuance of their wise counsel and generous aid in all matters pertaining to the Company's welfare.

Yours respectfully,

  
President.

## GENERAL INFORMATION

There were presented to us during 1931:

6,966	Fidelity Claims
581	Official Claims
1,270	Surety Claims
1,307	Burglary Claims
525	Forgery Claims
1,070	Plate Glass Claims
7,914	Other Casualty Claims

Making a total of 19,633 (An increase of 2,908 as compared with 1930).

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums—	{	Year 1931 . . .	50.60
		Entire Period . .	27.54
Burglary and Forgery Claims Paid to Net Premiums—	{	Year 1931 . . .	43.94
		Entire Period . .	36.00
Plate Glass Claims Paid to Net Premiums . . . .	{	Year 1931 . . .	35.22
		Entire Period . .	28.56
Other Casualty Claims Paid to Net Premiums— . .	{	Year 1931 . . .	38.20
		Entire Period . .	27.39

The Company has an agency organization consisting of 45 Branch and Service Offices on a salary basis, and 14,653 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$167,893,318.81
Its Net Paid Losses were . . . . .	47,149,748.11
And its Expenses were . . . . .	100,036,208.63
Leaving an excess from underwriting, subject to	
Reserves, of . . . . .	20,707,362.07

Which is equivalent to 12.33% of the Net Premium Income.

Our Stockholders have received in Cash Dividends . . . . . \$ 21,387,368.00

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1931

RESOURCES

Real Estate.....	\$ 8,483,559.27
Bonds, Stocks and Debentures (See Note).....	16,277,397.81
Premiums in Course of Collection.....	3,183,152.67
Cash.....	1,367,357.96
Mortgage and other Secured Loans.....	1,414,544.66
Reinsurance and other Accounts Receivable.....	246,278.27
Accrued Interest Receivable.....	143,870.57

\$31,116,161.21

LIABILITIES

Capital Stock (300,000 shares. Par Value \$25.00 per share).....	\$ 7,500,000.00
Surplus and Undivided Profits.....	\$4,524,172.42
Voluntary Special Reserve—Canada.....	36,000.00
Legal Fund Provision—Mexico.....	48,000.00

4,608,172.42

*Minority Interest in Subsidiary Companies.....	93,042.77
Reserve for Difference in Exchange converting Canadian Dollars to U.S. Dollars @ 83½.....	128,616.66
Reserve for Unearned Premiums.....	7,974,282.17
Reserve for Contingent Claims.....	7,584,072.66
Special Claim Reserve.....	1,000,000.00
Reserve for Outstanding Premiums.....	716,870.76
Reserve for Expenses and Taxes.....	1,113,009.02
Reinsurance and other Accounts Payable.....	398,094.75

\$31,116,161.21

\*Minority Interest in Subsidiary Companies consists of:

- 20 Shares New York Casualty Company Stock
- 692 Shares Canadian Surety Company Stock
- 25 Shares Compania Mexicana de Garantias, S. A. Stock
- 66 Shares Canadian Surety Company Stock owned by Amsuco Securities Company.

NOTE: At June 30, 1931, market prices, except certain items which are at December 31, 1931, market prices, being the standard promulgated by the National Convention of Insurance Commissioners, and except that securities owned by The Canadian Surety Company are stated at values fixed by the Dominion Department of Insurance, Ottawa, Canada.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1931

## RESOURCES

Real Estate—Home Office Premises, unencumbered, less depreciation. . . \$ 8,300,000.00  
(Value allowed by N. Y. Ins. Dept. \$9,230,000.00)

Securities (See Note):

Bonds . . . . .	\$5,244,345.94	
Stocks . . . . .	8,251,428.45	13,495,774.39

Premiums in Course of Collection . . . . .	2,408,948.83
Cash in Banks and Offices . . . . .	1,028,623.92
Reinsurance and other Accounts Receivable . . . . .	159,313.79
Accrued Interest Receivable . . . . .	82,970.88

\$25,475,631.81

## LIABILITIES

Capital Stock (300,000 shares. Par Value \$25.00 per share) . . . . .	\$ 7,500,000.00
Surplus and Undivided Profits . . . . .	3,394,644.65
Reserve for Unearned Premiums . . . . .	6,377,373.60
Reserve for Contingent Claims . . . . .	5,437,517.99
Special Claim Reserve . . . . .	1,000,000.00
Reserve for Outstanding Premiums . . . . .	550,000.00
Reserve for Expenses and Taxes . . . . .	885,997.99
Reinsurance and Other Accounts Payable . . . . .	330,097.58

\$25,475,631.81

NOTE: At June 30, 1931 market prices, except certain items which are at Dec. 31, 1931 market prices, being the standard promulgated by the National Convention of Insurance Commissioners, and except that stocks of subsidiary companies are carried at par or cost, being in each instance less than book value.



The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums . . . . .	\$2,370,212.28	(Decrease \$489,717.46)
From Dividends and Interest . . . . .	251,465.92	(Decrease 36,340.91)
INCOME . . . . .	<u>\$2,621,678.20</u>	(Decrease 526,058.37)
OUTGO:		
For Expenses . . . . .	\$1,450,285.76	(Decrease 180,677.79)
For Taxes . . . . .	62,981.27	(Increase 981.48)
For Gross Losses . . . . .	\$1,499,620.63	(Decrease 796,173.24)
Less Cash Salvage . . . . .	<u>40,899.59</u>	(Decrease 5,981.91)
Net Losses . . . . .	<u>1,458,721.04</u>	(Decrease 790,191.33)
OUTGO . . . . .	<u>\$2,971,988.07</u>	(Decrease 969,887.64)
EXCESS OF OUTGO OVER INCOME . . . . .		\$350,309.87
DECREASE IN:		
Reserve for Unearned Premiums . . . . .	\$109,901.66	
Reserve for Overdue Premiums . . . . .	<u>132,877.88</u>	
	\$242,779.54	
INCREASE IN:		
Reserve for Expenses . . . . .	<u>13,860.33</u>	\$228,919.21
Agents Balances charged off . . . . .	1,797.89	<u>227,121.32</u>
		\$123,188.55
Depreciation in Value of Securities Unsold . . . . .	\$230,279.55	
Appreciation taken prior to January 1, 1931 . . . . .	\$22,829.37	
On Securities which were later sold at a profit over cost of . . . . .	<u>22,356.17</u>	<u>473.20</u>
		230,752.75
Deducted from Surplus . . . . .		\$353,941.30
Transferred to Surplus in connection with reduction in Capital Stock . . . . .		<u>500,000.00</u>
Increase in Surplus . . . . .		<u>\$146,058.70</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1931

## RESOURCES

Guaranteed Real Estate Mortgages . . . . .	\$ 986,575.00
Securities (See Note):	
Bonds . . . . .	\$1,760,101.25
Stocks . . . . .	1,580,510.00
	<hr/>
Premiums in Course of Collection . . . . .	678,310.77
Cash in Banks and Offices . . . . .	147,485.09
Reinsurance and other Accounts Receivable . . . . .	46,065.80
Accrued Interest Receivable . . . . .	38,104.73
	<hr/>
	\$5,237,152.64

## LIABILITIES

Capital Stock (40,000 Shares Par Value \$25.00 per Share) . . . . .	\$1,000,000.00
Surplus and Undivided Profits . . . . .	861,461.65
Reserve for Unearned Premiums . . . . .	1,177,154.28
Reserve for Contingent Claims . . . . .	1,800,042.63
Reserve for Outstanding Premiums . . . . .	150,000.00
Reserve for Expenses and Taxes . . . . .	200,253.46
Reinsurance and other Accounts Payable . . . . .	48,240.62
	<hr/>
	\$5,237,152.64

NOTE: At June 30, 1931, market prices, except certain items which are at December 31, 1931 market prices, being the standard promulgated by the National Convention of Insurance Commissioners.

American Surety Company of New York owns 39,980 of the 40,000 shares of capital stock of this Company, and carries the same at par.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums . . . . .	\$529,037.70	(Decrease \$37,706.41)
From Dividends and Interest . . . . .	60,135.99	(Decrease 1,730.94)
INCOME . . . . .	<u>\$589,173.69</u>	(Decrease 39,437.35)
OUTGO:		
For Expenses . . . . .	\$306,384.30	(Decrease 10,903.63)
For Taxes . . . . .	14,071.10	(Increase 3,871.66)
For Gross Losses . . . . .	\$303,879.51	(Decrease 39,353.43)
Less Cash Salvage . . . . .	<u>57,584.54</u>	(Increase 12,363.56)
Net Losses . . . . .	<u>246,294.97</u>	(Decrease 51,716.99)
OUTGO . . . . .	<u><u>\$566,750.37</u></u>	(Decrease 58,748.96)
EXCESS OF INCOME OVER OUTGO . . . . .		\$22,423.32
(Increase \$19,311.61)		
DECREASE IN:		
Reserve for Unearned Premiums . . . . .	\$3,010.28	
Reserve for Overdue Premiums . . . . .	<u>5,142.27</u>	\$ 8,152.55
INCREASE IN:		
Reserve for Expenses and Taxes . . . . .	783.57	7,368.98
		<u>29,792.30</u>
Decrease in Value of Securities Unsold . . . . .	223.29	
Agents' Suspense Account . . . . .	<u>1,046.27</u>	
	1,269.56	
Profit on Debentures Sold . . . . .	<u>879.94</u>	389.62
Balance . . . . .		29,402.68
Dividends Paid . . . . .	45,000.00	
Transferred to Voluntary Special Reserve . . . . .	<u>6,000.00</u>	51,000.00
Decrease in Surplus . . . . .		<u><u>\$21,597.32</u></u>
(The foregoing statement is expressed in Canadian dollars)		

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1931

## RESOURCES

Bonds, Stocks and Debentures (See Note) . . . . .	\$1,185,311.05
Premiums in Course of Collection . . . . .	82,866.29
Cash in Banks and Offices . . . . .	42,761.54
Reinsurance Receivable . . . . .	28,738.50
Accrued Interest Receivable . . . . .	11,815.94
	<hr/>
	\$1,351,493.32

## LIABILITIES

Capital Stock (5,000 shares. Par Value \$100.00 per share) . . . . .	\$	500,000.00
Surplus and Undivided Profits . . . . .	\$279,494.92	
Less difference in exchange converting to U. S. dollars at 83 ½ . . . . .	128,616.66	
	<hr/>	
	150,878.26	
Voluntary Special Reserve . . . . .	36,000.00	186,878.26
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Reserve for Difference in Exchange . . . . .	128,616.66	
Reserve for Unearned Premiums . . . . .	260,623.63	
Reserve for Contingent Claims . . . . .	216,587.08	
Reserve for Outstanding Premiums . . . . .	16,870.76	
Reserve for Expenses and Taxes . . . . .	22,998.16	
Reinsurance Payable . . . . .	18,918.77	
	<hr/>	
		\$1,351,493.32

NOTE: Securities stated at values fixed by the Dominion Department of Insurance, Ottawa, Canada.

American Surety Company of New York owns 4,242 of the 5,000 shares of capital stock of this Company, and carries the same at \$120.00 per share.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums . . . . .	\$291,731.12	(Decrease \$43,709.15)
From Dividends, Interest and Rents, less Operating Cost . . . . .	50,166.54	(Increase 3,296.40)
INCOME . . . . .	<u>\$341,897.66</u>	(Decrease 40,412.75)
OUTGO:		
For Expenses and Taxes . . . . .	\$118,384.81	(Increase 20.11)
For Gross Losses . . . . .	\$211,076.30	(Increase 18,970.47)
Less Cash Salvage . . . . .	<u>47,658.62</u>	(Increase 4,095.11)
Net Losses . . . . .	163,417.68	(Increase 14,875.36)
OUTGO . . . . .	<u>\$281,802.49</u>	(Increase 14,895.47)
Excess of Income over Outgo . . . . .		\$ 60,095.17
(Decrease \$55,308.22)		
Decrease in Reserve for Unearned Premiums . . . . .		14,597.40
		74,692.57
Decrease in Value of Securities Unsold . . . . .	22,983.27	
Difference in Exchange Converting to Dollars Less Gain during Year . . . . .	15,093.20	38,076.47
Balance . . . . .		36,616.10
Dividends Paid . . . . .	25,000.00	
Transfer to Legal Fund . . . . .	<u>10,000.00</u>	35,000.00
Increase in Surplus . . . . .		<u>\$ 1,616.10</u>

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States. The loss in converting the Silver items appearing in the Financial Statement to the current rate of exchange of Two and One-Half Pesos, Mexican, to One Dollar, United States, as of December 31, 1931, is reflected in the item "Loss in Exchange".)

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1931

(Converted into United States Currency, in the ratio of Two and One-Half Pesos, Mexican, to One Dollar, United States, for Silver items, and in the ratio of Two Pesos, Mexican, to One Dollar, United States, for Gold items)

RESOURCES

Real Estate—Unencumbered . . . . .	\$183,559.27
Bonds and Stocks (See Note) . . . . .	256,316.94
Premiums in Course of Collection . . . . .	13,026.78
Cash in Banks and Office . . . . .	92,318.46
Cash Deposits under Law . . . . .	47,560.00
Mortgage Loans . . . . .	131,920.01
Reinsurance and other Accounts Receivable . . . . .	12,160.19
Accrued Interest Receivable . . . . .	10,979.02
	<hr/>
	\$747,840.67

LIABILITIES

Capital Stock (5,000 shares. Par Value \$50.00 per share) . . . . .	\$250,000.00
Surplus and Undivided Profits . . . . .	\$156,187.86
Legal Fund Provision . . . . .	48,000.00
	<hr/>
Reserve for Unearned Premiums . . . . .	159,130.66
Reserve for Contingent Claims . . . . .	129,924.96
Reserve for Expenses and Taxes . . . . .	3,759.41
Reinsurance and other Accounts Payable . . . . .	837.78
	<hr/>
	\$747,840.67

NOTE: At June 30, 1931, market prices, except certain items which are at December 31, 1931, market prices, being the standard promulgated by the National Convention of Insurance Commissioners.

American Surety Company of New York owns 4,975 of the 5,000 shares of capital stock of this Company, and carries the same at par.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends..... \$ 25,786.40

OUTGO:

For Expenses and Interest.....	\$ 65.37	
For Taxes.....	5,341.58	5,406.95

EXCESS OF INCOME OVER OUTGO.....		20,379.45
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Add Increase in Value of Securities Unsold.....	100.00	
Profit on Securities Sold.....	10,880.00	

	\$10,980.00	
Dividends Paid.....	10,000.00	980.00

ADDED TO SURPLUS.....		\$ 21,359.45
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## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1931

### RESOURCES

Bonds and Stocks (See Note).....	\$166,390.00
Cash in Banks.....	8,608.95
Mortgage and other Secured Loans.....	296,049.65
	<u>\$471,048.60</u>

### LIABILITIES

Capital Stock (8,000 shares. Par Value \$50.00 per share).....	\$400,000.00
Surplus.....	71,048.60
	<u>\$471,048.60</u>

NOTE: At June 30, 1931, market prices, being the standard promulgated by the National Convention of Insurance Commissioners, except certain items covering investment in affiliated companies, which are stated at cost. American Surety Company of New York owns all of the capital stock of the Company and carries the same at par.

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	*FAIR MARKET VALUE
\$ 679,000	U. S. of America 4th Liberty Loan (Registered) 4¼%, 1938. . . . .	\$ 710,615.94
STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS		
\$ 500,000	City of New York Exempt Corporate Stock (Reg.) 4%, 1977. . . . .	\$ 503,750.00
5,000	City of Winnipeg, Dominion of Canada Cons. Deb. (Reg.) 5%, 1943	4,825.00
15,000	City of Winnipeg, Dominion of Canada Cons. Deb. (Coupon), 5%, 1943. . . . .	14,475.00
35,000	Dominion of Canada (Reg.) 4½%, 1936. . . . .	35,831.25
15,000	Dominion of Canada (Coupon) 4½%, 1936. . . . .	15,356.25
50,000	N. Y. State Canal Improvement (Reg.) 3%, 1958. . . . .	50,000.00
10,000	Porto Rico Irrigation Loan of 1915 Series "F" (Reg.) 4%, 1956. . . .	9,800.00
5,000	Porto Rico Public Improvement Series "A" 5%, 1945. . . . .	5,350.00
10,000	Porto Rico Workingmen's House Construction Series "B" 4½%, 1942	10,175.00
\$ 645,000		\$ 649,562.50
RAILROAD BONDS		
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. (Reg.) 4%, 1939. . . . .	\$ 47,250.00
200,000	Baltimore & Ohio R. R. Co. Conv. 4½%, 1960. . . . .	182,500.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge. Series "D" 5%, 2000	50,125.00
100,000	Canadian National Ry. Co. Guaranteed 4½%, 1957. . . . .	100,500.00
100,000	Canadian Northern Ry. Co. Guaranteed 4½%, 1935. . . . .	102,000.00
100,000	Canadian Northern Ry. (Winnipeg Terminals) (Reg.) 4%, 1939. . . .	92,500.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934	46,625.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960. . . . .	195,000.00
50,000	Chicago Union Station Co. 1st Mortgage Series "B" 5%, 1963. . . .	53,000.00
480,000	Chicago & North Western Ry. Co. Conv. 4¾%, 1949. . . . .	376,800.00
48,000	Cleveland Union Term. Co. 1st Mtge. S. F. Series "A" 5½%, 1972.	52,800.00
50,000	Erie R. R. Co. First Consolidated General Lien 4%, 1996. . . . .	38,125.00
25,000	Erie & Jersey R. R. Co. 1st Mtge. S. F. 6%, 1955. . . . .	27,875.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950. . . .	23,000.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977. . .	172,500.00
50,000	Pennsylvania R. R. Co. Secured 5%, 1964. . . . .	51,812.50
25,000	St. Louis Southwestern Ry. Co. 1st Cons. Mtge. 4%, 1932. . . . .	20,281.25

\*See note on Page 21.



PAR VALUE	RAILROAD BONDS—Continued	FAIR MARKET VALUE
\$ 200,000	Southern Pacific Co. (with warrants) 4½%, 1969. ....	\$ 187,500.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	40,500.00
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950. ....	24,250.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939. ....	17,500.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976. ....	5,000.00
<hr/> \$2,228,000		<hr/> \$1,907,443.75

#### PUBLIC UTILITY BONDS

\$ 100,000	American & Foreign Power Co., Inc. Deb. 5%, 2030. ....	\$ 80,500.00
50,000	American Telephone & Telegraph Co. S. F. Deb. 5%, 1960. ....	53,500.00
100,000	Brooklyn-Manhattan Transit Corp. Secured 6½%, 1932. ....	101,625.00
125,000	Brooklyn-Manhattan Transit Corp. Secured S. F. Series "A" 6%, 1968	127,187.50
50,000	Duquesne Light Co. 1st Mortgage Series "A" 4½%, 1967. ....	52,250.00
25,000	Milwaukee Gas Light Co. 1st Mortgage 4½%, 1967. ....	25,968.75
100,000	New York Edison Co. 1st Lien & Ref. Mtge. Series "B" 5%, 1944 .	106,250.00
100,000	New York Gas & Elec. Lgt., Heat & Pwr. Co. 1st Mtge, 5%, 1948.	111,500.00
100,000	Western Union Telegraph Co. 5%, 1951. ....	101,500.00
<hr/> \$ 750,000		<hr/> \$ 760,281.25

PAR  
VALUE

MISCELLANEOUS BONDS

FAIR MARKET  
VALUE

\$ 100,000 Abraham & Straus, Inc. Deb. $5\frac{1}{2}\%$ , 1943.....	\$ 99,250.00
50,000 Allis Chalmers Manufacturing Co. Deb. $5\%$ , 1937.....	50,250.00
200,000 American International Corp. Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	175,000.00
49,000 American Sugar Refining Co. $6\%$ , 1937.....	51,205.00
100,000 Armour & Co. of Delaware 1st Mtge. Guar. Series "A" $5\frac{1}{2}\%$ , 1943	69,000.00
100,000 Canadian International Paper Co. 1st Mtge. $6\%$ , 1949.....	60,000.00
50,000 Chicago Pneumatic Tool Co. S. F. Deb. $5\frac{1}{2}\%$ , 1942.....	35,500.00
100,000 Commercial Investment Trust Corp. Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	98,000.00
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" $4\frac{1}{2}\%$ , 1932	24,625.00
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" $4\frac{1}{2}\%$ , 1933	24,500.00
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" $4\frac{1}{2}\%$ , 1934	24,250.00
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" $4\frac{1}{2}\%$ , 1935	24,062.50
50,000 General Cable Corp. 1st Mtge. S. F. Series "A" $5\frac{1}{2}\%$ , 1947.....	37,250.00
25,000 General Motors Acceptance Corp. Notes Series "H" $5\%$ , 1934.....	25,406.25
25,000 General Motors Acceptance Corp. Notes Series "I" $5\%$ , 1935.....	25,406.25
100,000 Pure Oil Co. S. F. Notes, $5\frac{1}{2}\%$ , 1940.....	79,500.00
200,000 Texas Corporation Conv. S. F. Deb. $5\%$ , 1944.....	189,500.00
5,000 Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1932.....	5,012.50
5,000 Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1933.....	5,000.00
5,000 Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1934.....	4,975.00
5,000 Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1935.....	4,950.00
5,000 Union Tank Car Co. Equipment Trust Ctfs. $4\frac{1}{2}\%$ , 1936.....	4,925.00
100,000 Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" $5\%$ , 1978	98,875.00

\$1,374,000

\$1,216,442.50

## RAILROAD STOCKS

FAIR MARKET  
VALUE

3,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Non-Cum. Pfd. . . . .	\$ 312,375.00
1,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Common. . . . .	165,500.00
1,000 Shares	Baltimore & Ohio R. R. Co. Non-Cum. Pfd. . . . .	70,500.00
1,000 Shares	Chicago, Rock Island & Pacific Railway Co. Pfd. . . . .	65,000.00
2,000 Shares	Chicago & North Western Railway Co. Common. . . . .	68,000.00
2,000 Shares	Delaware, Lackawanna & Western R. R. Co. . . . .	133,000.00
3,000 Shares	Erie R. R. Co. Non-Cum. First Pfd. . . . .	103,500.00
2,000 Shares	Hudson & Manhattan R. R. Co. Common. . . . .	80,000.00
3,300 Shares	New York Central R. R. Co. . . . .	305,250.00
1,000 Shares	N. Y., N. H. & H. R. R. Co. Cum. Pfd. . . . .	113,000.00
2,000 Shares	N. Y., N. H. & H. R. R. Co. Common. . . . .	150,000.00
2,000 Shares	Northern Pacific Railway Co. Common. . . . .	88,500.00
5,625 Shares	Pennsylvania R. R. Co. . . . .	270,703.13
2,100 Shares	Reading Co. Common. . . . .	151,200.00
2,000 Shares	St. Louis-San Francisco Railway Co. Common. . . . .	38,000.00
2,000 Shares	Southern Pacific Co. Common. . . . .	165,500.00
4,000 Shares	Southern Railway Co. Non-Cum. Pfd. . . . .	232,000.00
7,000 Shares	Southern Railway Co. Common. . . . .	267,750.00
1,000 Shares	Texas & Pacific Railway Co. Common. . . . .	50,250.00

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\$2,830,028.13

## PUBLIC UTILITY STOCKS

1,000 Shares	American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped. . \$	73,750.00
2,000 Shares	Brooklyn-Manhattan Transit Corp. Cum. Pfd. Series "A". . . . .	184,000.00
834 Shares	Commonwealth & Southern Corp. Pfd. . . . .	78,604.50
4,000 Shares	Consolidated Gas Co. of N. Y. Cumulative Pfd. . . . .	422,000.00
2,000 Shares	Consolidated Gas Co. of N. Y. Common. . . . .	193,000.00
1,000 Shares	Duquesne Light Co. Cum. First Pfd. . . . .	105,500.00
1,400 Shares	Engineers Public Service Co. Convertible Pfd. . . . .	105,875.00
1,000 Shares	New York Telephone Co. Cum. Pfd. . . . .	116,500.00
1,000 Shares	The United Corporation Cum. Pfce. . . . .	50,125.00
1,000 Shares	The United Corporation Common. . . . .	23,500.00

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\$1,352,854.50

## BANK STOCKS

7,032 Shares	Chase National Bank and Chase Securities Corp. of New York. . . \$	536,190.00
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MISCELLANEOUS STOCKS		FAIR MARKET VALUE
1,000 Shares	Allied Chemical & Dye Co. Cum. Pfd.	\$ 124,875.00
500 Shares	American Ice Co. Non-Cum. Pfd.	32,312.50
1,000 Shares	American Locomotive Co. Cum. Pfd.	70,000.00
1,000 Shares	American Smelting & Refining Co. Cum. Second Pfd.	90,000.00
500 Shares	American Sugar Refining Co. Cum. Pfd.	52,062.50
1,000 Shares	E. I. du Pont de Nemours & Co. Cum. Non-Voting Deb.	122,750.00
2,700 Shares	General Motors Corp. Pfd.	274,050.00
2,000 Shares	Pullman, Inc.	78,000.00
3,000 Shares	Tri-Continental Corp. Cum. Pfd.	279,750.00
2,500 Shares	United States Steel Corp. Common.	251,250.00
		<hr/> \$1,375,050.00

STOCKS OF SUBSIDIARY COMPANIES		
8,000 Shares	Amsuco Securities Company	\$ 400,000.00
4,242 Shares	Canadian Surety Company	509,055.82
4,975 Shares	Compania Mexicana de Garantias, S. A.	248,750.00
39,980 Shares	New York Casualty Company	999,500.00
		<hr/> \$2,157,305.82

PAR VALUE	RECAPITULATION	
\$ 679,000	U. S. Government Bonds	\$ 710,615.94
645,000	State, County, Province and Municipal Bonds	649,562.50
2,228,000	Railroad Bonds	1,907,443.75
750,000	Public Utility Bonds	760,281.25
1,374,000	Miscellaneous Bonds	1,216,442.50
<hr/> \$5,676,000 Total of Bonds		<hr/> \$5,244,345.94
	Railroad Stocks	\$2,830,028.13
	Public Utility Stocks	1,352,854.50
	Bank Stocks	536,190.00
	Miscellaneous Stocks	1,375,050.00
	Stocks of Subsidiary Companies	2,157,305.82
	<hr/> Total of Stocks	<hr/> \$8,251,428.45
GRAND TOTAL OF BONDS AND STOCKS OWNED BY AMERICAN SURETY COMPANY OF NEW YORK		<hr/> \$13,495,774.39

NOTE: Securities are stated at June 30, 1931, market prices (being the standard promulgated by the National Convention of Insurance Commissioners), except that bonds of Wabash R. R. Co. and Wabash Ry. Co. are stated at December 31, 1931, market prices, and that stocks of subsidiary companies are carried at par or cost, being in each instance less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	*FAIR MARKET VALUE
\$ 395,475	Guaranteed Mortgage Loans on Real Estate, N. Y., 5½%, due 1932	\$ 395,475.00
293,600	Guaranteed Mortgage Loans on Real Estate, N. Y., 5½%, due 1933	293,600.00
297,500	Guaranteed Mortgage Loans on Real Estate, N. Y., 5½%, due 1934	297,500.00
<hr/>		
\$ 986,575		\$ 986,575.00
U. S. GOVERNMENT BONDS		
\$ 492,000	U. S. of America 4th Liberty Loan (Registered) 4¼%, 1938.....	\$ 514,908.75
8,000	U. S. of America 4th Liberty Loan (Coupon) 4¼%, 1938.....	8,377.50
<hr/>		
\$ 500,000		\$ 523,286.25
STATE AND PROVINCIAL BONDS		
\$ 100,000	New York State Highway Improvement Loan 3%, 1956.....	\$ 102,000.00
160,000	Province of Ontario, Canada (Registered) 5%, 1960.....	169,600.00
<hr/>		
\$ 260,000		\$ 271,600.00
RAILROAD BONDS		
\$ 50,000	Ann Arbor R. R. Co. 1st Mortgage 4%, 1995.....	\$ 8,000.00
20,000	Atlantic & Danville Ry. Co. 1st Mortgage 4%, 1948.....	8,800.00
50,000	Baltimore & Ohio R. R. Co., Toledo-Cincinnati Division, 1st Lien & Ref. Mortgage Series "A" 4%, 1959.....	41,500.00
50,000	Boston & Maine R. R. Co. 1st Mortgage 5%, 1955.....	49,062.50
20,000	Great Northern Ry. Co. Gen. Mortgage Series "C" 5%, 1973.....	20,450.00
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mtge. Series "A" 5%, 1957.....	29,550.00
20,000	Illinois Central R. R. Co. & Chicago, St. Louis & N. O. R. R. Co. Joint 1st Ref. Mtge. Series "A" 5%, 1963.....	17,500.00
40,000	Long Island R. R. Co. Ref. Mortgage 4%, 1949.....	38,000.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Cons. Mtge 4%, 1938....	16,200.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	13,725.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	12,600.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mtge. Series "A" 5½%, 1954.....	38,750.00
20,000	New York Central R. R. Ref. & Imp. Mtge. Series "C" 5%, 2013..	20,700.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mtge. Series "A" 5½%, 1974.....	44,750.00

\*See Note on Page 25.

# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	FAIR MARKET VALUE
\$ 30,000	N. Y., Ontario & Western Ry. Co. Ref. Mtge. 4%, 1992.....	\$ 17,400.00
20,000	Pere Marquette Ry. Co. 1st Mtge. Series "A" 5%, 1956.....	19,400.00
50,000	Seaboard Air Line Ry. Co. 1st Mtge. 4%, 1950.....	6,000.00
20,000	Southern Pacific Co. Central Pacific Stock Collateral 4%, 1949.....	18,400.00
20,000	Virginian Ry. Co. 1st Mortgage Series "A" 5%, 1962.....	20,800.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	36,000.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	37,750.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	28,000.00
<hr/>		<hr/>
\$ 750,000		\$ 543,337.50
PUBLIC UTILITY BONDS		
\$ 50,000	Columbus Gas Co. 1st Mortgage 5%, 1932.....	\$ 48,750.00
20,000	Pacific Gas & Elec. Co. of Cal. Gen. & Ref. Mtge. 5%, 1942.....	20,950.00
50,000	Standard Gas & Elec. Co. of Delaware Deb. Series "A" 6%, 1951 ..	48,125.00
50,000	Texas Power & Light Co. 1st Mortgage 5%, 1937.....	51,750.00
50,000	Western Union Telegraph Co. 5%, 1951.....	50,750.00
<hr/>		<hr/>
\$ 220,000		\$ 220,325.00
MISCELLANEOUS BONDS		
\$ 50,000	Goodyear Tire & Rubber Co. 1st Mtge. Collateral Trust 5%, 1957..	\$ 45,312.50
138,600	One Fifth Avenue Corp. of N. Y. 1st Mortgage 5%, 1940.....	124,740.00
50,000	Phillips Petroleum Co. Deb. Sinking Fund 5¼%, 1939.....	31,500.00
<hr/>		<hr/>
\$ 238,600		\$ 201,552.50
RAILROAD STOCKS		
500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 82,750.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	36,900.00
2,000 Shares	Canadian Pacific R. R. Common.....	53,750.00
500 Shares	Chicago & North Western Railway Co. Common.....	17,000.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. Pfd.....	38,000.00
500 Shares	Great Northern Railway Co. Non-Cum. Pfd.....	25,750.00

# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

FAIR MARKET  
VALUE

500 Shares Illinois Central R. R. Co. Common.....	\$ 25,500.00
500 Shares Missouri, Kansas, Texas R. R. Co. Cum. Pfd. "A".....	30,000.00
500 Shares Missouri Pacific R. R. Co. Cum. Conv. Pfd.....	36,250.00
650 Shares New York Central R. R. Co. Common.....	60,125.00
500 Shares N. Y., N. H. & H. R. R. Co. Cum. Pfd.....	56,500.00
500 Shares Norfolk & Western Railway Co. Common.....	82,500.00
500 Shares Northern Pacific Railway Co. Common.....	22,125.00
600 Shares Pennsylvania R. R. Co.....	28,875.00
500 Shares St. Louis-San Francisco Railway Co. Common.....	9,500.00
500 Shares Southern Pacific Co. Common.....	41,375.00
500 Shares Southern Railway Co., Common.....	19,125.00
500 Shares Union Pacific Railway Co. Common.....	83,500.00

\$ 749,525.00

## PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. Cum. Pfd.....	\$ 22,000.00
500 Shares American Water Works & Electric Co., Inc., Cum. 1st Pfd.....	46,750.00
1,100 Shares Consolidated Gas Co. of N. Y. Common.....	106,150.00
200 Shares Electric Bond & Share Co. Cum. Pfd.....	18,125.00
200 Shares Electric Power & Light Co. Cum. Pfd.....	17,650.00
500 Shares Electric Power & Light Common.....	20,625.00
500 Shares Federal Light & Traction Co. Cum. Pfd.....	42,000.00
500 Shares North American Co. Cum. Pfd.....	27,750.00
500 Shares Standard Gas & Electric Co. Cum. Pfd.....	29,500.00
600 Shares United Gas Improvement Co. Common.....	17,925.00

\$ 348,475.00

## BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 30,100.00
500 Shares Chase National Bank and Chase Securities Corp. of New York...	38,125.00
10 Shares First National Bank, New York City.....	34,750.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	25,200.00
65 Shares Guaranty Trust Co., New York City.....	29,835.00
1,750 Shares Manhattan Co., New York City.....	131,250.00

\$ 289,260.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

FAIR MARKET  
VALUE

500 Shares American Smelting & Refining Co., common.....	\$ 18,437.50
500 Shares Anaconda Copper Mining Co.....	14,437.50
500 Shares Eastman Kodak Co., common.....	74,000.00
500 Shares Kennecott Copper Co.....	10,250.00
500 Shares Pullman, Inc.....	19,500.00
1,000 Shares Standard Oil Co. of New Jersey.....	38,750.00
1,000 Shares Socony—Vacuum Corp.....	17,875.00
	<hr/>
	\$ 193,250.00

## RECAPITULATION

\$ 986,575 Mortgage Loans.....	\$ 986,575.00
	<hr/>
500,000 U. S. Government Bonds.....	\$ 523,286.25
260,000 State and Provincial Bonds.....	271,600.00
750,000 Railroad Bonds.....	543,337.50
220,000 Public Utility Bonds.....	220,325.00
238,600 Miscellaneous Bonds.....	201,552.50
	<hr/>
\$1,968,600 Total of Bonds.....	\$1,760,101.25
	<hr/>
Railroad Stocks.....	\$ 749,525.00
Public Utility Stocks.....	348,475.00
Bank and Trust Company Stocks.....	289,260.00
Miscellaneous Stocks.....	193,250.00
	<hr/>
Total of Stocks.....	\$1,580,510.00
	<hr/>
GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY.....	\$4,327,186.25

Note: Securities are stated at June 30, 1931, market prices (being the standard promulgated by the National Convention of Insurance Commissioners), except that bonds of Ann Arbor R. R., Seaboard Air Line Ry. Co., and Wabash R. R. Co. are stated at December 31, 1931, market prices.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	*FAIR MARKET VALUE
\$ 25,000.00	Dominion of Canada Victory Loan, 5½%, 1934.....	\$25,750.00
10,000.00	Dominion of Canada 1931 National Service Loan, 5%, 1941.....	9,900.00
25,000.00	Canadian National Railway Guaranteed by Dominion of Canada, 5%, 1969.....	26,750.00
5,000.00	Canadian National Railway Equipment Guaranteed by Dominion of Canada, 5%, 1939.....	5,100.00
15,000.00	Canadian National Railway Guaranteed by Dominion of Canada, 5%, 1935.....	15,150.00
5,000.00	Canadian National Railway Co. Guaranteed by Dominion of Canada, 4½%, 1956.....	4,862.50
15,000.00	Grand Trunk Railway Guaranteed by Dominion of Canada, 6%, 1936.....	16,050.00
5,000.00	Province of Alberta, 4½%, 1956.....	4,900.00
2,000.00	Province of Manitoba Drainage District, 4%, 1933.....	1,980.00
10,000.00	Province of New Brunswick, 5%, 1959.....	10,500.00
10,000.00	Province of New Brunswick, 3%, 1939.....	8,900.00
5,000.00	Province of Nova Scotia, 5%, 1960.....	5,300.00
10,000.00	Province of Ontario, 6%, 1935.....	10,500.00
25,000.00	Province of Ontario, 5%, 1959.....	26,750.00
4,000.00	Province of Ontario, 4½%, 1944.....	4,000.00
10,000.00	Hydro-Electric Power Commission of Ontario Guaranteed by Province of Ontario, 6%, 1941.....	11,100.00
25,000.00	Hydro-Electric Power Commission of Ontario Guaranteed by Province of Ontario, 4%, 1957.....	23,000.00
5,000.00	Province of Saskatchewan, 6%, 1936.....	5,300.00
25,000.00	Kingdom of Norway, 5%, 1963.....	25,250.00
<hr/> \$236,000.00		<hr/> \$241,042.50

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.....	\$ 9,800.00
10,000.00	City of Brandon, Manitoba, 5%, 1933.....	10,000.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.....	2,060.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942.....	960.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	1,940.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,040.00
1,000.00	City of Edmonton, Alberta, 5%, 1933.....	1,000.00

\*Values fixed by the Dominion Department of Insurance, Ottawa, Canada.

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$10,000.00	City of Edmonton, Alberta, $5\frac{1}{2}\%$ , 1945.....	\$10,500.00
973.33	City of Calgary, Alberta, $4\frac{1}{2}\%$ , 1941.....	944.13
2,433.32	City of Calgary, Alberta, $4\frac{1}{2}\%$ , 1942.....	2,335.99
2,433.33	City of Calgary, Alberta, $5\%$ , 1943.....	2,433.33
2,000.00	City of Fort William, Ontario, $4\frac{1}{2}\%$ , 1952.....	1,900.00
4,000.00	City of Fort William, Ontario, $4\frac{1}{2}\%$ , 1957.....	3,800.00
5,000.00	City of Galt, Ontario, $5\frac{1}{2}\%$ , 1936.....	5,150.00
5,000.00	City of Galt, Ontario, $5\%$ , 1937.....	5,050.00
4,014.75	City of Guelph, Ontario, $5\%$ , 1932.....	4,014.75
5,000.00	City of Halifax, Nova Scotia, $5\%$ , 1961.....	5,150.00
10,000.00	City of Hamilton, Ontario, $5\%$ , 1938-39.....	10,100.00
1,946.66	City of Hamilton, Ontario, $4\%$ , 1940.....	1,849.33
10,000.00	City of Kitchener, Ontario, $4\frac{1}{2}\%$ , 1937.....	9,800.00
10,000.00	Montreal Metropolitan Commission, $5\%$ , 1966.....	10,500.00
18,848.66	City of Niagara Falls, Ontario, $5\frac{1}{2}\%$ , 1931-38.....	19,225.64
10,000.00	City of North Bay, Ontario, $5\%$ , 1938-41.....	10,100.00
2,000.00	City of North Bay, Ontario, $5\%$ , 1942-43.....	2,020.00
6,000.00	City of Ottawa, Ontario, $6\%$ , 1940.....	6,540.00
5,000.00	City of Oshawa, Ontario, $5\%$ , 1938.....	5,000.00
2,000.00	City of Oshawa, Ontario, $5\frac{1}{2}\%$ , 1946.....	2,120.00
3,000.00	City of Port Arthur, Ontario, $5\%$ , 1945.....	3,030.00
2,000.00	City of Port Arthur, Ontario, $5\%$ , 1937.....	2,000.00
10,000.00	City of Peterborough, Ontario, $4\frac{1}{4}\%$ , 1939.....	9,600.00
7,000.00	Portage Industrial Exhibition Guaranteed by City of Portage la Prairie, Manitoba, $5\%$ , 1934.....	6,930.00
5,000.00	City of Regina, Saskatchewan, $5\frac{1}{2}\%$ , 1942.....	5,250.00
1,500.00	City of Regina, Saskatchewan, $6\frac{1}{2}\%$ , 1951.....	1,785.00
5,000.00	City of Saskatoon, Saskatchewan, $4\frac{1}{2}\%$ , 1948.....	4,750.00
5,700.00	City of Stratford, Ontario, $4\frac{1}{2}\%$ , 1932.....	5,700.00
4,000.00	City of St. Catharines, Ontario, $4\%$ , 1935.....	3,880.00
5,000.00	City of Sarnia, Ontario, $6\%$ , 1939.....	5,400.00
15,000.00	City of Sydney, Nova Scotia, $4\frac{1}{2}\%$ , 1942.....	14,100.00
2,000.00	City of Three Rivers, Quebec, $5\frac{1}{2}\%$ , 1947.....	2,080.00
5,500.00	City of Three Rivers, Quebec, $5\frac{1}{2}\%$ , 1952.....	5,775.00
5,000.00	City of Toronto, Ontario, $6\%$ , 1935.....	5,250.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$15,000.00	City of Toronto, Ontario, 5%, 1945	\$15,600.00
50,000.00	City of Toronto, Ontario, 6%, 1945	56,500.00
14,600.00	City of Toronto, Ontario, 4%, 1948	13,578.00
13,000.00	City of Toronto, Ontario, 5%, 1953	13,650.00
10,000.00	Toronto Harbor Commission Guaranteed by City of Toronto, 4½%, 1953 or earlier	9,900.00
9,733.33	City of Victoria, B. C., 4%, 1936	9,344.00
15,000.00	City of Victoria, B. C., 5½%, 1941	15,900.00
1,000.00	City of Victoria, B. C., 5½%, 1941	1,060.00
1,000.00	City of Victoria, B. C., 5½%, 1945	1,070.00
2,000.00	City of Welland, Ontario, 4½%, 1939	1,940.00
1,703.33	City of Winnipeg, Manitoba, Registered Stock, 4½%, 1943-63	1,652.13
9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946 to 1949	10,661.69
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952	4,280.00
3,000.00	Town of Collingwood, Ontario, 5%, 1944	2,915.16
3,000.00	Town of Cornwall, Ontario, 5%, 1943	3,030.00
3,000.00	Town of Cornwall, Ontario, 5%, 1944	3,030.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945	4,040.00
10,000.00	Town of Dundas, Ontario, 5%, 1948-49	10,100.00
5,000.00	Town of Lindsay, Ontario, 5½%, 1934	5,100.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937-1941	1,877.23
6,000.00	Town of Sandwich, Ontario, 5½%, 1945	6,180.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940-42	6,894.39
17,000.00	Town of Sorel, Quebec, 5%, 1952	17,000.00
2,464.54	Town of Smith's Falls, Ontario, 5½%, 1933-1935	2,513.83
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940	5,050.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3% to 1932, 3½% 1933 to 1937	3,250.00
1,703.67	Town of Watrous, Saskatchewan, 5½%, 1932-1956	1,635.51
2,000.00	Town of Welland, Ontario, 5½%, 1934	2,040.00
6,145.49	Town of Weston, Ontario, 5%, 1947	6,206.94
10,000.00	Township of Barton, Ontario, 5%, 1944	10,100.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-1949	6,930.00
5,000.00	Township of East York, Ontario, 5½%, 1947	5,250.00
2,000.00	Township of Esquimalt, B. C., 5%, 1963	1,960.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$ 7,000.00	Township of Richmond, B. C., 4½%, 1959	\$ 6,510.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956	765.00
5,000.00	Township of Scarboro, Ontario, 5%, 1942	5,050.00
10,000.00	Township of Scarboro, Ontario, 5%, 1940	10,000.00
5,000.00	Greater Winnipeg Water District, 6%, 1940	5,450.00
7,000.00	District of North Vancouver, 5%, 1960	7,070.00
10,000.00	County of Essex, Ontario, 5½%, 1936	10,300.00
8,000.00	County of Haldimand, Ontario, 5%, 1934-1937	8,080.00
11,000.00	United Counties of Lennox and Addington, 4½%, 1935-39	6,237.00
	1935-7...	4,606.00
	1938-9...	5,000.00
5,000.00	County of Carleton, Ontario, 6%, 1939-1944	5,000.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942	7,420.00
5,000.00	County of Norfolk, Ontario, 5%, 1932	5,000.00
\$556,135.42		\$566,090.16

## SCHOOL BONDS

\$ 1,000.00	Brandon, Manitoba, School District No. 129, 4%, 1936	\$ 929.80
7,000.00	Protestant School, Montreal, 4½%, 1943	6,790.00
7,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-1953	7,840.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953-1960	9,518.59
5,000.00	Roman Catholic School, Toronto, Ontario, 5%, 1945	5,100.00
	City of Hamilton, Ontario, Roman Catholic Separate School Board, 5%, 1949	5,050.00
\$ 35,346.29		\$35,228.39

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp., Toronto, 5¼%, 1935	\$10,000.00
20,000.00	Canada Permanent Mortgage Corp., Toronto, 5%, 1935	20,000.00
5,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1935	5,000.00
15,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1934	15,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1935	30,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ontario, 5%, 1935	25,000.00
20,000.00	Huron & Erie Mortgage Corp., 5%, 1934	20,000.00
10,000.00	National Trust Company, Limited, 5¼%, 1934	10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1935	5,000.00
25,000.00	Toronto General Trusts Corp., 5¼%, 1934	25,000.00
5,000.00	Union Trust Company, 5%, 1934	5,000.00
10,000.00	Abitibi Power & Paper Co., Ltd., 1st Mortgage, Gold Series A, 5%, 1953 or earlier	7,500.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	FAIR MARKET VALUE
\$ 10,000.00	British Columbia Telephone Co., Ltd., 1st Mtge. Gold, 5%, 1960....	\$ 9,500.00
10,000.00	Canada Cement Co., Ltd., 1st Mortgage Sinking Fund, Series A, 5½%, 1947 or earlier.....	10,000.00
5,000.00	Canadian International Paper Co., 1st Mtge., 6%, 1949 or earlier....	3,400.00
25,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 5%, 1949 or earlier	24,000.00
35,000.00	Gatineau Power Co., 1st Mortgage S. F. Gold, 5%, 1956 or earlier...	32,900.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage, S. F. 5½%, 1949 or earlier.....	8,300.00
20,000.00	Massey-Harris Co., Ltd., Toronto, S. F. Deb., 5%, 1947 or earlier....	18,600.00
5,000.00	Quebec Power Co., 1st Mortgage and Collateral Trust Series A, 5%, 1968 or earlier.....	5,050.00
10,000.00	Simpson's Limited, 1st Mortgage and Collateral Trust Series A, 6%, 1949 or earlier.....	10,100.00
5,000.00	St. Maurice Valley Corp. 1st Mortgage and Collateral Trust S. F. Series A, 6%, 1945 or earlier.....	1,750.00
5,000.00	United Gas & Fuel Co. of Hamilton, Ltd., 1st Mortgage Sinking Fund, 5½%, 1948 or earlier.....	4,850.00
5,000.00	United Grain Growers Ltd., 1st Mortgage S. F. Series A, 5%, 1948 or earlier.....	4,350.00
5,000.00	West Kootenay Power & Light Co., Ltd., 5%, 1956.....	4,850.00

\$330,000.00

\$315,150.00

## STOCKS

100 Shares	International Milling Company, 7%, Preferred.....	\$ 9,800.00
200 Shares	Canadian General Electric Company, Limited, 7%, Preferred.....	12,600.00
200 Shares	Canadian Pacific Railway Company, Common (par value 25.00) quarterly.....	5,400.00

\$27,800.00

## RECAPITULATION

\$ 236,000.00	Government Bonds.....	\$ 241,042.50
556,135.42	Municipal Bonds.....	566,090.16
35,346.29	School Bonds.....	35,228.39
330,000.00	Miscellaneous Bonds.....	315,150.00

\$1,157,481.71 TOTAL OF BONDS.....\$1,157,511.05

Stocks.....27,800.00

GRAND TOTAL OF BONDS AND STOCKS OWNED BY THE CANADIAN  
SURETY COMPANY.....\$1,185,311.05

NOTE: Securities are stated at values fixed by the Dominion Department of Insurance,  
Ottawa, Canada.

SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	FAIR MARKET VALUE
\$10,000	American International Corporation Conv. Deb. 5½%, 1949.....	\$ 8,800.00
10,000	American Power & Light Company Deb. 6%, 2016.....	10,400.00
20,000	American Telephone & Telegraph Company Deb. 5%, 1965.....	21,400.00
10,000	Baltimore & Ohio Conv. 4½%, 1960.....	9,100.00
10,000	Brooklyn-Manhattan Transit Corporation Notes 6½%, 1932.....	10,200.00
15,000	Brooklyn-Manhattan Transit Corporation Rapid Transit Secured S. F. Series "A" 6%, 1968.....	15,300.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975.....	12,800.00
20,000	Chicago & North Western Ry. Conv. Series "A" 4¾%, 1949.....	15,800.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	7,800.00
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	7,800.00
88,000	Mexican Federal Government 5%, Exterior 1945.....	3,520.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955...	9,200.00
10,000	Ohio Edison 1st & Cons. 5%, 1960.....	10,300.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A," 5½%, 1952....	10,400.00
10,000	St. Louis & San Francisco Cons. Series "A" 4½%, 1978.....	5,800.00
20,000	Southern Pacific Company 4½%, 1969.....	18,800.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	9,200.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	5,300.00
10,000	Wabash R. R. Company Ref. & Gen. Series "B" 5%, 1976.....	900.00*
P 75,684	Banco Minero de Chihuahua.....	1,210.94*
300,000	Mexican Federal Government 3%, 1925.....	2,700.00*
1,100	Mexican Federal Government 5%, Interior Debt.....	17.60*
{ 531,000	Mexican Federal Government 6% }	
{ 400,000	Participation Certificate 6%..... }	.40*
98,700	United Shoe & Leather Company 5%, 1941.....	23,688.00*
STOCKS		
100	Shares American Superpower 1st Preferred.....	9,100.00
84	Shares Commonwealth & Southern Corporation Preferred.....	7,980.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	16,800.00
1	Share Mexico City Country Club.....	2,000.00*
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		\$256,316.94

NOTE: Stated at June 30, 1931, market prices, except those marked \* which are at December 31, 1931, market prices, being the standard promulgated by the National Convention of Insurance Commissioners.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	FAIR MARKET VALUE
\$10,000 Brooklyn-Manhattan Transit Corp., Series A, 6%, 1968.....	\$ 10,100.00
50,000 New England Power Association Deb., 5%, 1948.....	41,000.00

## STOCKS

1,000 Shares Amnyco Printing & Supply Corp.....	50,000.00*
66 Shares Canadian Surety Company.....	9,700.00*
100 Shares Engineers Public Service Co. Convertible Pfd.....	7,500.00
1,000 Shares International Paper & Power Co. Cumulative Pfd.....	27,000.00
600 Shares Lehigh Valley Coal Corp. Pfd.....	16,200.00
9 Shares Title Guaranty & Surety Co.....	90.00
200 Shares United Corporation Common.....	4,800.00
	<hr/>
	\$166,390.00

NOTE: Securities are stated at June 30, 1931, market prices (being the standard promulgated by the National Convention of Insurance Commissioners) except investment in affiliated companies, items marked \*, which are stated at cost.

REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1932



## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*Vice-Chairman*

A. F. LAFRENTZ  
*President*

RICHARD DEMING  
*First Vice-President*

### *Vice-Presidents*

W. M. TOMLINS, JR.  
E. F. WATSON  
F. J. PARRY  
LEWIS H. PARRY  
M. L. JENKS  
D. H. COOK

W. E. MCKELL  
G. L. NAUGHT  
B. J. MCGINN  
L. S. MOORE  
J. CARROLL FRENCH  
E. H. TAYLOR

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

S. C. HEMSTREET  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT  
CHARLES H. ALLEN  
JOHN ANDERSON  
GOODWIN B. BEACH  
EDWIN L. BLABON  
A. J. BROSEAU  
R. R. BROWN  
NEWCOMB CARLTON  
CLARENCE E. CHAPMAN  
FANNIN W. CHARKE  
T. JEFFERSON COOLIDGE  
RICHARD DEMING  
C. G. DuBois  
W. N. DYKMAN  
J. CARROLL FRENCH  
WALTER E. FREW  
ARCHIBALD R. GRAUSTEIN  
HUGH M. GRIMSHAW  
F. COIT JOHNSON  
HARRY A. KAHLER  
WALTER KASTEN  
JOHN L. KEMMERER  
F. M. KIRBY  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
JAMES T. LEE

EDWARD E. LOOMIS  
L. F. LOREE  
JEREMIAH T. MAHONEY  
W. E. McKELL  
RICHARD B. MELLON  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
J. R. MORRON  
JOHN D. O'KEEFE  
LEWIS H. PARRY  
SEWARD PROSSER  
ANDREW W. ROBERTSON  
LINDSAY RUSSELL  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
R. A. C. SMITH  
VALENTINE P. SNYDER  
LONDON K. THORNE  
W. M. TOMLINS, JR.  
L. A. WATRES  
WILLIAM WHITING  
ALBERT H. WIGGIN  
BENJAMIN L. WINCHELL  
BRONSON WINTHROP  
WILLIAM H. WOODIN

COMPARATIVE FINANCIAL STATEMENT  
AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

RESOURCES

	1932	1931	Increase	Decrease
Real Estate.....	\$ 8,300,000.00	\$ 8,300,000.00		
Bonds.....	4,381,721.66	5,244,345.94		\$ 862,624.28
Stocks.....	8,439,172.82	8,251,428.45	\$ 187,744.37	
Premiums in Course of Col- lection (less estimated premiums over ninety days due).....	1,705,857.94	1,858,948.83		153,090.89
Cash in Banks and Offices ..	766,094.92	1,028,623.92		262,529.00
Reinsurance and Other Accounts Receivable.....	296,413.78	159,313.79	137,099.99	
Accrued Interest Receivable	68,559.40	82,970.88		14,411.48
	<u>\$23,957,820.52</u>	<u>\$24,925,631.81</u>		<u>\$ 967,811.29</u>

LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits.....	1,784,666.95	3,394,644.65		\$1,609,977.70
Contingency Reserve.....	2,000,000.00		\$2,000,000.00	
Reserve for Unearned Premiums.....	5,881,412.67	6,377,373.60		495,960.93
Reserve for Contingent Claims.....	4,608,344.02	5,437,517.99		829,173.97
Special Claim Reserve.....	1,000,000.00	1,000,000.00		
Reserve for Expenses and Taxes.....	820,197.23	885,997.99		65,800.76
Reinsurance and Other Accounts Payable.....	363,199.65	330,097.58	33,102.07	
	<u>\$23,957,820.52</u>	<u>\$24,925,631.81</u>		<u>\$ 967,811.29</u>

January 17, 1933.

TO THE BOARD OF TRUSTEES:

In submitting my report covering the operations of the Company for the year ending December 31, 1932 (being the forty-ninth year of its operation), I first desire to express my appreciation of the loyal support accorded me by the members of our Home Office and Field forces and to commend them for the conscientious and able manner in which they have at all times performed their duties. I also wish to thank the members of this Board for their counsel and advice and for the interest they have taken in the Company's affairs.

		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$11,946,315.23	(Decrease \$	472,098.57)
Less Reinsurance Ceded.....	3,038,337.45	(Increase	432,050.28)
Net Premiums Written.....	8,907,977.78	(Decrease	904,148.85)
Decrease in Unearned Premium Reserve....	495,960.93	(Decrease	148,740.03)
Earned Premiums.....	9,403,938.71	(Decrease	1,052,888.88)
From Home Office Building— Rents less Operating Cost.....	693,307.99	(Decrease	49,545.09)
From Securities—Interest and Dividends.....	485,893.13	(Decrease	286,668.61)
TOTAL INCOME.....	<u>\$10,583,139.83</u>	(Decrease	1,389,102.58)
OUTGO:			
For Expenses Paid.....	\$ 4,078,575.61	(Decrease	494,379.24)
For Commissions Paid.....	1,497,368.82	(Decrease	111,694.67)
For Taxes Paid.....	239,443.72	(Decrease	26,238.51)
For Losses Incurred.....	\$6,186,104.29	(Decrease	1,852,672.10)
Less Cash Salvage.....	1,567,037.05	(Decrease	439,859.30)
Net Losses Incurred.....	4,619,067.24	(Decrease	1,412,812.80)
TOTAL OUTGO.....	<u>\$10,434,455.39</u>	(Decrease	2,045,125.22)
EXCESS OF INCOME OVER OUTGO.....			\$ 148,684.44
(Increase of \$656,022.64)			
DECREASE IN:			
Reserve for Refunds.....	\$ 31,296.37		
Reserve for Expenses.....	70,601.48		
Reserve for Overdue Premiums.....	25,000.00	\$ 126,897.85	
Agents' Balances Charged Off.....	461.33		126,436.52
Investment Income less Underwriting Loss.....			275,120.96
Deduct:			
Loss on Securities Sold.....	267,435.47		
Less Depreciation taken prior to January 1, 1932, on these securities.....	101,180.47		166,255.00
Balance added to Surplus (Carried forward).....		\$	108,865.96



Brought forward . . . . .	\$ 108,865.96
Surplus January 1, 1932. . . . .	<u>3,394,644.65</u>
	3,503,510.61
Deduct:	
Transfer to Contingency Reserve for Depreciation of Securities Unsold. . . . .	1,718,843.66
SURPLUS DECEMBER 31, 1932. . . . .	<u>\$1,784,666.95</u>

A natural decline in premium volume due to depressed conditions, coupled with our policy to curtail writings on lines producing an unsatisfactory loss experience, resulted in a decrease in premiums written, as compared with the preceding year, of \$472,098.57, or 3.8%.

It was deemed advisable to reduce our retentions on Bankers' Blanket and certain other classes of bonds. Despite the decline in premiums written, this caused our ceded reinsurance account to increase \$432,050.28, or 16.6%, and had the effect of further decreasing our premium income. It is perhaps advisable to state here that the loss experience for the current year is not materially affected by this change in policy, but that the benefit of this added protection will be reflected in the Company's operations in the future.

Release from Unearned Premium Reserve of \$495,960.93 resulted in Earned Premiums for the year of \$9,403,938.71.

The net income from the Company's Home Office Building (gross rentals, less taxes and operating expenses) amounting to \$693,307.99, is equivalent to a return of 8.4% on this investment and of 9.2% on the Company's outstanding Capital Stock. Compared with 1931, gross rentals declined \$67,253.38, or 6%, while taxes, maintenance and operating expense decreased \$17,708.29, or 4.7%, resulting in a net decrease in income from this source of \$49,545.09.

Interest and Dividends from Securities and other investments amounted to \$485,893.13. Comparison with 1931 shows decreased interest receipts of \$60,570.86 and decreased dividend receipts of \$226,097.75.

Our business is in essence that of rendering service. Therefore, it is essential that a highly trained and efficient personnel be maintained. For this reason, salaries paid to officers and employees represent approximately 63% of our disbursements for expenses (not including commissions and taxes). In its effort to reduce expenses the management received the hearty cooperation of the entire staff, with the result savings aggregating \$494,379.24 were effected by voluntary cuts and readjustments of salaries and by economies in operations. This is a reduction in operating costs of 10.8%. In addition to the foregoing, revisions now being made effective will produce a further saving of between \$100,000.00 and \$150,000.00.

Natural turnover in our personnel resulted in a reduction in our clerical staff. In the majority of cases employees who resigned were not replaced. Their positions were either

discontinued and the work redistributed or filled by transfer of employees from other Departments. However, no employee's services were dispensed with except for cause.

Commissions paid fluctuate with the premium income. The decrease for the year is attributable to the decline in premiums written. The same may be said of the reduction in taxes paid.

Losses incurred amounted to \$6,186,104.29 as compared with \$8,038,776.39 for 1931, which is a decrease of \$1,852,672.10, or 23%. This improvement is not confined to any particular class of risk. Practically all classifications show a decreased loss ratio.

Salvage actually reduced to cash amounted to \$1,567,037.05. Compared with the preceding year this is a decrease of \$439,859.30, or 21.9%, which is accounted for by the fact that liquidation of failed banks has been retarded due to existing conditions. However, reports from Receivers of these banks indicate that substantial salvage will be ultimately collected on losses heretofore paid.

It is well to emphasize that only salvage converted into cash is treated as a profit. Other forms of salvage (stocks, bonds, mortgages, assignments, etc.) are neither considered as a profit in our statement of operation nor as an asset in our Financial Statement.

Sale of Securities resulted in a loss of \$267,435.47, based on cost. These Securities had been depreciated \$101,180.47 prior to January, 1932.

The Real Estate item of \$8,300,000.00 in the Financial Statement represents the cost of the Company's Home Office Building, including the land, located at 100 Broadway, New York City, depreciated to the extent of \$1,173,188.57. This property is unencumbered. It is assessed at \$8,100,000.00 and valued by the New York Insurance Department at \$9,230,000.00. The Building is a modern 23-story Office Building. The Company occupies five floors, for the use of which space it charges itself at the market rate. Thirteen of the remaining floors are advantageously rented on long term leases, leaving but five floors available for other tenants. At the present time the Building is 94% occupied.

Securities, \$12,820,894.48 representing investments in stocks and bonds of other companies, are valued on basis adopted by the National Convention of Insurance Commissioners, except that stocks of subsidiary companies are carried at par or cost, being in each instance less than book value.

During the year the Company increased its investment in New York Casualty Company by contributing to that company's Surplus \$249,875.00, being \$6.25 per share on 39,980 shares of stock of that company held by this Company.

The Company received from the Amsuco Securities Company \$100,000.00 in cash in reduction of its investment in that company, the capital stock of the Amsuco Securities Company being reduced from 8,000 shares of the par value of \$50.00 per share to 6,000 shares of the par value of \$50.00 per share.

The amount of \$525,000.00 deducted from premiums in course of collection is considered more than ample to cover premiums due over ninety days. These premiums are disallowed as an asset by the Insurance Department, notwithstanding many of the items are good and collectible.

The Contingency Reserve of \$2,000,000.00 was created by transfer of \$1,718,843.66 from surplus and by readjustment of reserve heretofore carried for depreciation of Securities.

The Reserve for Unearned Premiums on bonds and policies in force of \$5,881,412.67 is in excess of the statutory requirement.

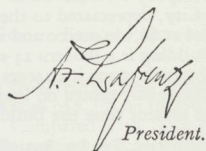
Reserves for Claims in process of settlement covering defaults reported to the Company under its bonds and policies aggregate \$4,608,344.02. It is considered that this amount is ample to discharge the Company's liability for such defaults. All just and proper claims have been promptly paid by the Company, which is evidenced by the fact that during the year claims in process of settlement have been reduced \$829,173.97.

There has been no change during the year in the Special Claim Reserve of \$1,000,000.00. This Reserve is to cover any latent claims of which the Company has no knowledge.

The Company has not engaged in the business of guaranteeing mortgages or mortgage bonds. This declaration is made for the benefit of those who may not be familiar with the Company's underwriting policy.

The Company, as well as its subsidiary the New York Casualty Company, is equipped to render unexcelled service in the execution of Fidelity and Surety Bonds and Casualty Insurance Policies anywhere in the United States, Porto Rico and Hawaii. It is also prepared to render a like service in the Dominion of Canada through its subsidiary, The Canadian Surety Company, and to execute all classes of Fidelity and Surety Bonds in the Republic of Mexico through its subsidiary, Compania Mexicana de Garantias, S. A.

All of which is Respectfully Submitted.

  
President.



## GENERAL INFORMATION

There were presented to us during 1932:

5,426 Fidelity Claims
620 Official Claims
1,224 Surety Claims
1,148 Burglary Claims
328 Forgery Claims
1,189 Plate Glass Claims
7,285 Other Casualty Claims

Making a total of 17,220 (A decrease of 2,413 as compared with 1931).

### LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{ Year 1932 . . . . . 65.70
	{ Entire Period . . . . . 29.14
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{ Year 1932 . . . . . 56.25
	{ Entire Period . . . . . 37.32
Plate Glass Claims Paid to Net Premiums . . . . .	{ Year 1932 . . . . . 36.93
	{ Entire Period . . . . . 30.51
Other Casualty Claims Paid to Net Premiums . . . . .	{ Year 1932 . . . . . 42.02
	{ Entire Period . . . . . 32.61

The Company has an agency organization consisting of 43 Branch and Service Offices on a salary basis, and 13,050 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$176,801,296.59
Its Net Paid Losses were . . . . .	52,597,989.32
And Its Expenses were . . . . .	105,851,596.78
Leaving an excess from underwriting, subject to Reserves, of . . . . .	18,351,710.49
Which is equivalent to 10.38% of the Net Premium Income.	
Our Stockholders have received in Cash Dividends . . . . .	\$ 21,387,368.00



AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1932

RESOURCES

Real Estate.....		\$ 8,491,471.11
Bonds, Stocks and Debentures (See Note).....		15,301,276.35
Premiums in Course of Collection.....	\$2,933,631.24	
Less premiums due more than ninety days (estimated).....	668,096.19	2,265,535.05
Cash.....		1,080,670.29
Mortgage and other Loans Receivable.....		1,285,254.27
Reinsurance and other Accounts Receivable.....		349,178.02
Accrued Interest Receivable.....		123,419.07
		<u>\$28,896,804.16</u>

LIABILITIES

Capital Stock (300,000 shares Par Value \$25.00 per share).....		\$ 7,500,000.00
Surplus and Undivided Profits.....	\$2,108,305.99	
Voluntary Special Reserve—Canada.....	30,000.00	
Legal Fund Provision—Mexico.....	41,250.00	2,179,555.99
Contingency Reserve.....		2,623,822.33
*Minority Interest in Subsidiary Companies.....		94,889.80
Reserve for difference in Exchange converting Canadian Dollars to U. S. Dollars @ 88½.....		86,670.64
Reserve for Unearned Premiums.....		7,506,882.47
Reserve for Contingent Claims.....		6,461,988.27
Special Claim Reserve.....		1,000,000.00
Reserve for Expenses and Taxes.....		1,043,726.06
Reinsurance and other Accounts Payable.....		399,268.60
		<u>\$28,896,804.16</u>

\*Minority Interest in Subsidiary Companies consists of:

- 20 Shares New York Casualty Company Stock
- 692 Shares Canadian Surety Company Stock
- 25 Shares Compania Mexicana de Garantias, S. A. Stock

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners except certain items which are at December 31, 1932, market prices and except that securities owned by The Canadian Surety Company are stated at values fixed by the Department of Insurance of the Dominion of Canada.

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1932

## RESOURCES

Real Estate—Home Office premises, unencumbered, less depreciation. . . . .	\$ 8,300,000.00	
(Value allowed by N. Y. Ins. Dept. \$9,230,000.00)		
Securities (At Cost):		
Bonds. . . . .	\$ 4,496,090.48	
Stocks. . . . .	<u>10,339,210.01</u>	\$14,835,300.49
Less difference between cost and values on basis adopted by the National Convention of Insurance Commissioners. . . . .	<u>2,014,406.01</u>	12,820,894.48
Premiums in Course of Collection. . . . .	2,230,857.94	
Less premiums due more than ninety days (Estimated). . . . .	<u>525,000.00</u>	1,705,857.94
Cash in Banks and Offices. . . . .		766,094.92
Reinsurance and Other Accounts Receivable. . . . .		296,413.78
Accrued Interest Receivable. . . . .		<u>68,559.40</u>
		\$23,957,820.52

## LIABILITIES

Capital Stock. . . . .	\$ 7,500,000.00
Surplus and Undivided Profits. . . . .	1,784,666.95
Contingency Reserve. . . . .	<u>2,000,000.00</u>
Reserve for Unearned Premiums. . . . .	5,881,412.67
Reserve for Contingent Claims. . . . .	4,608,344.02
Special Claim Reserve. . . . .	1,000,000.00
Reserve for Expenses and Taxes. . . . .	820,197.23
Reinsurance and Other Accounts Payable. . . . .	<u>363,199.65</u>
	\$23,957,820.52

The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$2,635,380.19	(Increase \$ 68,901.02)
Less Reinsurance Ceded.....	207,845.97	(Increase 11,579.08)
Net Premiums Written.....	2,427,534.22	(Increase 57,321.94)
Increase in Unearned Premium Reserve.....	72,744.39	(Increase 182,646.05)
Earned Premiums.....	2,354,789.83	(Decrease 125,324.11)
From Securities—Interest and Dividends.....	176,581.25	(Decrease 74,884.67)
TOTAL INCOME.....	<u>\$2,531,371.08</u>	(Decrease 200,208.78)
OUTGO:		
For Expenses Paid.....	\$ 817,291.03	(Decrease 57,570.77)
For Commissions Paid.....	576,437.12	(Increase 1,013.16)
For Taxes Paid.....	62,134.53	(Decrease 846.74)
For Losses Incurred.....	\$1,458,969.28	(Decrease 40,651.35)
Less Cash Salvage.....	77,607.46	(Increase 36,707.87)
Net Losses Incurred.....	1,381,361.82	(Decrease 77,359.22)
TOTAL OUTGO.....	<u>\$2,837,224.50</u>	(Decrease 134,763.57)
EXCESS OF OUTGO OVER INCOME.....		\$ 305,853.42
(Increase of \$65,445.21)		
DECREASE IN:		
Reserve for Expenses.....	\$ 2,342.15	
Reserve for Overdue Premiums.....	25,000.00	\$27,342.15
Agents' Balances Charged Off.....	15,012.99	12,329.16
Underwriting Loss less Investment Income.....		293,524.16
Appreciation taken prior to January 1, 1932.....	5,038.36	
On Securities which were later sold at a profit over cost of.....	996.80	4,041.56
Balance deducted from Surplus.....		297,565.82
Surplus January 1, 1932.....	861,461.65	
Contributed to Surplus Account by Stockholders....	249,875.00	1,111,336.65
		813,770.83
Deduct:		
Transfer to Contingency Reserve for Depreciation of Securities Unsold....		493,680.66
Surplus December 31, 1932.....		<u>\$ 320,090.17</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1932

## RESOURCES

Guaranteed Real Estate Mortgages . . . . .		\$ 969,700.00
Securities (At Cost):		
Bonds . . . . .	\$1,682,848.55	
Stocks . . . . .	<u>2,254,783.83</u>	\$3,937,632.38
Less difference between cost and values on basis adopted by the National Convention of Insurance Commissioners . . . . .		<u>706,779.60</u> 3,230,852.78
Premiums in Course of Collection . . . . .	607,600.72	
Less premiums due more than ninety days (Estimated) . . . . .	<u>125,000.00</u>	482,600.72
Cash in Banks and Offices . . . . .		160,811.66
Reinsurance and other Accounts Receivable . . . . .		114,953.37
Accrued Interest Receivable . . . . .		<u>32,713.17</u>
		\$4,991,631.70

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share) . . . . .	\$1,000,000.00
Surplus and Undivided Profits . . . . .	320,090.17
Contingency Reserve . . . . .	575,000.00
Reserve for Unearned Premiums . . . . .	1,249,898.67
Reserve for Contingent Claims . . . . .	1,500,699.89
Reserve for Expenses and Taxes . . . . .	197,911.31
Reinsurance and Other Accounts Payable . . . . .	<u>148,031.66</u>
	\$4,991,631.70

American Surety Company of New York owns 39,980 of the 40,000 shares of capital stock of this Company, and carries the same at \$31.25 per share.



The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written . . . . .	\$600,896.80	(Decrease \$75,606.43)
Less Reinsurance Ceded . . . . .	104,502.65	(Decrease 42,962.88)
Net Premiums Written . . . . .	496,394.15	(Decrease 32,643.55)
Decrease in Unearned Premium Reserve . . . . .	18,034.86	(Increase 15,024.58)
Earned Premiums . . . . .	514,429.01	(Decrease 17,618.97)
From Securities—Interest and Dividends . . . . .	57,663.54	(Decrease 2,472.45)
TOTAL INCOME . . . . .	<u>\$572,092.55</u>	(Decrease 20,091.42)
OUTGO:		
For Expenses Paid . . . . .	\$214,795.32	(Decrease 471.01)
For Commissions Paid . . . . .	108,616.68	(Decrease 2,504.18)
For Taxes Paid . . . . .	20,992.17	(Increase 6,740.31)
For Losses Incurred . . . . .	\$278,453.02	(Decrease 5,242.84)
Less Cash Salvage . . . . .	47,001.06	(Decrease 10,583.48)
Net Losses Incurred . . . . .	231,451.96	(Increase 5,340.64)
TOTAL OUTGO . . . . .	<u>\$575,856.13</u>	(Increase 9,105.76)
EXCESS OF OUTGO OVER INCOME . . . . .		\$ 3,763.58
(Increase of \$29,197.18)		
INCREASE IN:		
Reserve for Overdue Premiums . . . . .	\$ 1,225.43	
DECREASE IN:		
Reserve for Expenses and Taxes . . . . .	317.68	\$ 907.75
Agents' Balances Charged Off . . . . .	827.11	1,734.86
Underwriting Loss less Investment Income . . . . .		5,498.44
Decrease in Voluntary Special Reserve . . . . .	6,000.00	
Decrease in Value of Securities Unsold . . . . .	5,194.59	
Profit on Securities Sold . . . . .	1,355.81	2,161.22
Balance Deducted from Surplus . . . . .		3,337.22
Surplus January 1, 1932 . . . . .		279,494.92
		276,157.70
Dividends Paid . . . . .		22,500.00
Surplus December 31, 1932 . . . . .		<u>\$253,657.70</u>

(The foregoing statement is expressed in Canadian dollars)

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1932

## RESOURCES

Bonds, Stocks and Debentures (See Note).....		\$1,147,419.19
Premiums in Course of Collection.....	\$ 80,521.68	
Less Premiums due more than ninety days.....	18,096.19	62,425.49
Cash in Banks and Offices.....		37,579.46
Reinsurance Receivable.....		51,280.70
Accrued Interest Receivable.....		11,383.73
		<u>\$1,310,088.57</u>

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share).....		\$ 500,000.00
Surplus and Undivided Profits.....	\$253,657.70	
Less difference in exchange converting to U. S. dollars at 88½.....	86,670.64	
	166,987.06	
Voluntary Special Reserve.....	30,000.00	196,987.06
Reserve for Difference in Exchange.....		86,670.64
Reserve for Unearned Premiums.....		242,588.77
Reserve for Contingent Claims.....		241,613.33
Reserve for Expenses and Taxes.....		22,680.48
Reinsurance Payable.....		19,548.29
		<u>\$1,310,088.57</u>

NOTE: Securities stated at values fixed by the Dominion Department of Insurance, Ottawa, Canada.  
 American Surety Company of New York owns 4,242 of the 5,000 shares of capital stock of this Company, and carries the same at \$120.00 per share.

The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$343,969.40	(Decrease \$38,188.66)
Less Reinsurance Ceded.....	82,125.79	(Decrease 8,301.15)
	<hr/>	
Net Premiums Written.....	261,843.61	(Decrease 29,887.51)
Decrease in Unearned Premium Reserve.....	12,391.54	(Decrease 2,205.86)
	<hr/>	
Earned Premiums.....	274,235.15	(Decrease 32,093.37)
From Building—Rents less Operating Cost.....	8,071.87	(Decrease 3,849.47)
From Securities—Interest and Dividends.....	35,932.64	(Decrease 2,312.56)
	<hr/>	
TOTAL INCOME.....	<u>\$318,239.66</u>	(Decrease 38,255.40)
OUTGO:		
For Expenses and Taxes Paid.....	\$ 94,542.66	(Decrease 998.31)
For Commissions Paid.....	21,754.21	(Decrease 1,089.63)
For Losses Incurred.....	\$196,250.38	(Decrease 14,825.92)
Less Cash Salvage.....	52,716.37	(Increase 5,057.75)
	<hr/>	
Net Losses Incurred.....	143,534.01	(Decrease 19,883.67)
	<hr/>	
TOTAL OUTGO.....	<u>\$259,830.88</u>	(Decrease 21,971.61)
EXCESS OF INCOME OVER OUTGO.....		\$ 58,408.78
(Decrease of \$16,283.79)		
Profit on Securities Sold and on Exchange.....		320.09
		<hr/>
Balance added to Surplus.....		58,728.87
Surplus January 1, 1932.....		156,187.86
		<hr/>
		214,916.73
Difference in Converting Pesos to Current Rate of Exchange.....	\$ 44,043.16	
Transferred to Contingency Reserve for Depreciation of Securities Unsold.....	11,122.89	
Transferred to Legal Fund Provision.....	6,000.00	
Dividends Paid.....	20,000.00	81,166.05
	<hr/>	<hr/>
Surplus December 31, 1932.....		<u>\$133,750.68</u>

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States. The loss in converting the Silver items appearing in the Financial Statement to the current rate of exchange of Three and One-Fifth Pesos, Mexican, to One Dollar, United States, as of December 31, 1932, is reflected in the item "Difference in Converting Pesos.")

# COMPANIA MEXICANA DE GARANTIAS, S. A.

(MEXICAN SURETY COMPANY)

## FINANCIAL STATEMENT, DECEMBER 31, 1932

(Converted into United States Currency, in the ratio of 3.20 Pesos, Mexican, to One Dollar, United States, for Silver items, and in the ratio of Two Pesos, Mexican, to One Dollar, United States, for Gold items)

### RESOURCES

Real Estate—Unencumbered.....	\$191,471.11
Bonds and Stocks (See Note).....	255,042.07
Premiums in Course of Collection.....	14,650.90
Cash in Banks and Office.....	65,610.36
Cash Deposits under Law.....	37,156.26
Mortgage Loans.....	104,516.47
Reinsurance and other Accounts Receivable.....	18,423.59
Accrued Interest Receivable.....	10,762.77
	<hr/>
	\$697,633.53

### LIABILITIES

Capital Stock (5,000 Shares. Par Value \$50.00 per Share).....	\$250,000.00
Surplus and Undivided Profits.....	\$133,750.68
Legal Fund Provision.....	41,250.00
	<hr/>
Contingency Reserve.....	25,000.00
Reserve for Unearned Premiums.....	132,982.36
Reserve for Contingent Claims.....	111,331.03
Reserve for Expenses and Taxes.....	2,937.04
Reinsurance and other Accounts Payable.....	382.42
	<hr/>
	\$697,633.53

NOTE: Valued on the basis adopted by the National Convention of Insurance Commissioners, except certain items which are stated at December 31, 1932, market prices.

American Surety Company of New York owns 4,975 of the 5,000 shares of capital stock of this Company, and carries the same at par.



The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:	
From Securities—Interest and Dividends.....	\$18,305.24
From Other Sources.....	4,742.21
<b>TOTAL INCOME.....</b>	<b>\$23,047.45</b>
OUTGO:	
For Expenses Paid.....	\$ 192.11
For Taxes Paid.....	3,058.51
<b>TOTAL OUTGO.....</b>	<b>\$ 3,250.62</b>
EXCESS OF INCOME OVER OUTGO.....	\$19,796.83
SURPLUS JANUARY 1, 1932.....	71,048.60
	90,845.43
Deduct:	
Transfer to Contingency Reserve for Depreciation of Securities	
Unsold.....	\$16,263.68
Dividends Paid.....	10,000.00
	26,263.68
SURPLUS DECEMBER 31, 1932.....	\$64,581.75

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1932

### RESOURCES

Bonds and Stocks (See Note).....	\$163,948.65
Cash in Banks.....	13,417.63
Mortgage and other Loans Receivable.....	211,037.80

### LIABILITIES

Capital Stock (6,000 shares Par Value \$50.00 per share).....	\$300,000.00
Surplus.....	64,581.75
Contingency Reserve.....	23,822.33
	\$388,404.08

NOTE: Securities are valued on basis adopted by the National Convention of Insurance Commissioners, except certain items covering investment in affiliated companies, which are stated at cost. American Surety Company of New York owns all of the capital stock of the Company and carries the same at par.

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	*FAIR MARKET VALUE
\$ 679,000	U. S. of America 4th Liberty Loan 4¼%, 1938.....	\$ 647,116.34
STATE, COUNTY, PROVINCE AND MUNICIPAL BONDS		
\$ 5,000	City of Winnipeg, Dominion of Canada Cons. Deb. (Reg.) 5%, 1943	4,922.76
15,000	City of Winnipeg, Dominion of Canada Cons. Deb. (Coupon), 5%, 1943.....	14,768.31
35,000	Dominion of Canada (Reg.) 4½%, 1936.....	34,774.55
15,000	Dominion of Canada (Coupon) 4½%, 1936.....	14,903.39
50,000	N. Y. State Canal Improvement (Reg.) 3%, 1958.....	50,896.72
10,000	Porto Rico Irrigation Loan of 1915 Series "F" (Reg.) 4%, 1956....	10,768.92
5,000	Porto Rico Public Improvement Series "A" 5%, 1945.....	5,364.26
10,000	Porto Rico Workingmen's House Construction Series "B" 4½%, 1942	10,192.48
\$ 145,000		\$ 146,591.39
RAILROAD BONDS		
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. (Reg.) 4%, 1939.....	\$ 48,830.79
200,000	Baltimore & Ohio R. R. Co. Conv. 4½%, 1960.....	201,564.88
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge. Series "D" 5%, 2000	48,637.33
100,000	Canadian National Ry. Co. Guaranteed 4½%, 1957.....	98,640.77
100,000	Canadian Northern Ry. Co. Guaranteed 4½%, 1935.....	99,332.63
100,000	Canadian Northern Ry. (Winnipeg Terminals) (Reg.) 4%, 1939....	100,244.33
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934	48,471.26
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	254,432.72
50,000	Chicago Union Station Co. 1st Mortgage Series "B" 5%, 1963.....	51,067.19
480,000	Chicago & North Western Ry. Co. Conv. 4¾%, 1949.....	379,200.00
48,000	Cleveland Union Term. Co. 1st Mtge. S. F. Series "A" 5½%, 1972.	49,072.53
50,000	Erie R. R. Co. First Consolidated General Lien 4%, 1996.....	32,112.66
25,000	Erie & Jersey R. R. Co. 1st Mtge. S. F. 6%, 1955.....	27,077.06
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	22,410.59
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977...	199,518.37
50,000	Pennsylvania R. R. Co. Secured 5%, 1964.....	49,309.92
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	11,900.82

\*See note on Page 20.

PAR  
VALUE

# RAILROAD BONDS—Continued

FAIR MARKET  
VALUE

\$ 200,000 Southern Pacific Co. (with warrants) 4½%, 1969.....	\$ 188,422.50
50,000 Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	38,856.18
25,000 Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	25,538.55
50,000 Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	48,772.68
50,000 Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	4,250.00
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\$2,215,500	\$2,027,663.76

## PUBLIC UTILITY BONDS

\$ 125,000 Brooklyn-Manhattan Transit Corp. Secured S. F. Series "A" 6%, 1968	\$ 100,674.34
25,000 Milwaukee Gas Light Co. 1st Mortgage 4½%, 1967.....	23,467.61
100,000 New York Gas & Elec. Lgt., Heat & Pwr. Co. 1st Mtge. 5%, 1948.	105,173.11
100,000 Western Union Telegraph Co. 5%, 1951.....	100,000.00
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\$ 350,000	\$ 329,315.06

## MISCELLANEOUS BONDS

\$ 100,000 Abraham & Straus, Inc. Deb. 5½%, 1943.....	\$ 102,687.50
50,000 Allis Chalmers Manufacturing Co. Deb. 5%, 1937.....	49,692.97
200,000 American International Corp. Conv. Deb. 5½%, 1949.....	203,198.14
100,000 Armour & Co. of Delaware 1st Mtge. Guar. Series "A" 5½%, 1943	94,130.71
100,000 Canadian International Paper Co. 1st Mtge. 6%, 1949.....	95,276.11
50,000 Chicago Pneumatic Tool Co. S. F. Deb. 5½%, 1942.....	49,813.71
100,000 Commercial Investment Trust Corp. Conv. Deb. 5½%, 1949.....	96,991.50
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1933	24,923.45
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1934	24,797.10
25,000 General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1935	24,676.89
50,000 General Cable Corp. 1st Mtge. S. F. Series "A" 5½%, 1947.....	49,478.66
100,000 Pure Oil Co. S. F. Notes, 5½%, 1940.....	97,700.00
200,000 Texas Corporation Conv. S. F. Deb. 5%, 1944.....	197,933.97
5,000 Union Tank Car Co. Equipment Trust Cfs. 4½%, 1933.....	4,991.27
5,000 Union Tank Car Co. Equipment Trust Cfs. 4½%, 1934.....	4,981.74
5,000 Union Tank Car Co. Equipment Trust Cfs. 4½%, 1935.....	4,974.49
5,000 Union Tank Car Co. Equipment Trust Cfs. 4½%, 1936.....	4,969.38
100,000 Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" 5%, 1978	100,717.52
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\$1,245,000	\$1,231,035.11



## RAILROAD STOCKS

FAIR MARKET  
VALUE

3,000 Shares Atchison, Topeka & Santa Fe Railway Co. Non-Cum. Pfd.....	\$ 321,000.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	166,000.00
1,000 Shares Baltimore & Ohio R. R. Co. Non-Cum. Pfd.....	71,000.00
1,000 Shares Chicago, Rock Island & Pacific Railway Co. Pfd.....	68,000.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co.....	136,000.00
3,000 Shares Erie R. R. Co. Non-Cum. First Pfd.....	105,000.00
2,000 Shares Hudson & Manhattan R. R. Co. Common.....	80,000.00
3,300 Shares New York Central R. R. Co.....	306,900.00
1,000 Shares N. Y., N. H. & H. R. R. Co. Cum. Pfd.....	113,000.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	150,000.00
2,000 Shares Northern Pacific Railway Co. Common.....	90,000.00
5,625 Shares Pennsylvania R. R. Co.....	270,000.00
2,100 Shares Reading Co. Common.....	151,200.00
2,000 Shares St. Louis-San Francisco Railway Co. Common.....	28,600.00
2,000 Shares Southern Pacific Co. Common.....	168,000.00
4,000 Shares Southern Railway Co. Non-Cum. Pfd.....	244,000.00
7,000 Shares Southern Railway Co. Common.....	273,000.00
1,000 Shares Texas & Pacific Railway Co. Common.....	70,000.00

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\$2,811,700.00

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..	\$ 75,000.00
2,000 Shares Brooklyn-Manhattan Transit Corp. Cum. Pfd. Series "A".....	186,000.00
834 Shares Commonwealth & Southern Corp. Pfd.....	80,064.00
4,000 Shares Consolidated Gas Co. of N. Y. Cumulative Pfd.....	428,000.00
2,000 Shares Consolidated Gas Co. of N. Y. Common.....	194,000.00
1,000 Shares Duquesne Light Co. Cum. First Pfd.....	106,000.00
1,400 Shares Engineers Public Service Co. Convertible Pfd.....	112,000.00
1,000 Shares New York Telephone Co. Cum. Pfd.....	118,000.00
1,000 Shares The United Corporation Cum. Pfce.....	51,000.00
1,000 Shares The United Corporation Common.....	24,000.00

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\$1,374,064.00

## BANK STOCKS

7,032 Shares Chase National Bank and Chase Securities Corp. of New York...\$	555,528.00
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MISCELLANEOUS STOCKS		FAIR MARKET VALUE
1,000 Shares Allied Chemical & Dye Co. Cum. Pfd.	\$	129,000.00
500 Shares American Ice Co. Non-Cum. Pfd.		32,500.00
1,000 Shares American Locomotive Co. Cum. Pfd.		73,000.00
1,000 Shares American Smelting & Refining Co. Cum. Second Pfd.		92,000.00
500 Shares American Sugar Refining Co. Cum. Pfd.		53,000.00
1,000 Shares E. I. du Pont de Nemours & Co. Cum. Non-Voting Deb.		123,000.00
2,700 Shares General Motors Corp. Pfd.		272,700.00
2,000 Shares Pullman, Inc.		78,000.00
3,000 Shares Tri-Continental Corp. Cum. Pfd.		285,000.00
2,500 Shares United States Steel Corp. Common		252,500.00

\$1,390,700.00

#### STOCKS OF SUBSIDIARY COMPANIES

6,000 Shares Amsuco Securities Company	\$	300,000.00
4,242 Shares Canadian Surety Company		509,055.82
4,975 Shares Compania Mexicana de Garantias, S. A.		248,750.00
39,980 Shares New York Casualty Company		1,249,375.00

\$2,307,180.82

#### PAR VALUE RECAPITULATION

\$ 679,000 U. S. Government Bonds	\$	647,116.34
145,000 State, County, Province and Municipal Bonds		146,591.39
2,215,500 Railroad Bonds		2,027,663.76
350,000 Public Utility Bonds		329,315.06
1,245,000 Miscellaneous Bonds		1,231,035.11

\$4,634,500 Total of Bonds \$4,381,721.66

Railroad Stocks	\$2,811,700.00
Public Utility Stocks	1,374,064.00
Bank Stocks	555,528.00
Miscellaneous Stocks	1,390,700.00
Stocks of Subsidiary Companies	2,307,180.82

Total of Stocks \$8,439,172.82

#### GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK \$12,820,894.48

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners, except that stocks of subsidiary companies are carried at par or cost, being in each instance less than book value.

# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	*FAIR MARKET VALUE
\$ 85,050	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1932	\$ 85,050.00
290,500	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1933	290,500.00
365,150	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1934	365,150.00
229,000	Guaranteed Mortgage Loans on Real Estate, N. Y., $5\frac{1}{2}\%$ , due 1935	229,000.00
		<hr/>
\$ 969,700		\$ 969,700.00
U. S. GOVERNMENT BONDS		
\$ 415,000	U. S. of America 4th Liberty Loan $4\frac{1}{4}\%$ , 1938. ....	\$ 415,956.31
		<hr/>
STATE AND PROVINCIAL BONDS		
\$ 100,000	New York State Highway Improvement Loan $3\%$ , 1956. ....	\$ 83,875.70
160,000	Province of Ontario, Canada (Registered) $5\%$ , 1960. ....	160,768.72
		<hr/>
\$ 260,000		\$ 244,644.42
RAILROAD BONDS		
\$ 50,000	Ann Arbor R. R. Co. 1st Mortgage $4\%$ , 1995. ....	\$ 37,037.33
20,000	Atlantic & Danville Ry. Co. 1st Mortgage $4\%$ , 1948. ....	16,603.75
50,000	Baltimore & Ohio R. R. Co., Toledo-Cincinnati Division, 1st Lien & Ref. Mortgage Series "A" $4\%$ , 1959. ....	43,496.33
50,000	Boston & Maine R. R. Co. 1st Mortgage $5\%$ , 1955. ....	51,188.15
20,000	Great Northern Ry. Co. Gen. Mortgage Series "C" $5\%$ , 1973. ....	18,881.28
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mortgage Series "A" $5\%$ , 1957. ....	27,598.61
20,000	Illinois Central R. R. Co. & Chicago, St. Louis & N. O. R. R. Co. Joint 1st Ref. Mortgage Series "A" $5\%$ , 1963. ....	18,976.27
40,000	Long Island R. R. Co. Ref. Mortgage $4\%$ , 1949. ....	33,064.72
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Cons. Mortgage $4\%$ , 1938	18,646.71
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" $6\%$ , 1946. ....	20,465.05
20,000	Missouri Pacific R. R. Co. Gen. Mortgage $4\%$ , 1975. ....	16,558.85
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" $5\frac{1}{2}\%$ , 1954. ....	50,049.79
20,000	New York Central R. R. Ref. & Imp. Mortgage Series "C" $5\%$ , 2013	18,856.37
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" $5\frac{1}{2}\%$ , 1974. ....	47,868.78

\*See Note on Page 24.

# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	FAIR MARKET VALUE
\$ 30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	\$ 20,591.61
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	17,406.86
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	13,150.00
20,000	Southern Pacific Co. Central Pacific Stock Collateral 4%, 1949....	17,763.62
20,000	Virginian Ry. Co. 1st Mortgage Series "A" 5%, 1962.....	19,226.98
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	49,705.64
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	47,455.16
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	42,564.84
<hr/>		
\$ 750,000		\$ 647,156.70

## PUBLIC UTILITY BONDS

\$ 20,000	Pacific Gas & Elec. Co. of Cal. Gen. & Ref. Mortgage 5%, 1942...	\$ 20,017.93
50,000	Standard Gas & Elec. Co. of Delaware Deb. Series "A" 6%, 1951..	50,484.72
50,000	Western Union Telegraph Co. 5%, 1951.....	51,233.96
<hr/>		
\$ 120,000		\$ 121,736.61

## MISCELLANEOUS BONDS

\$ 50,000	Goodyear Tire & Rubber Co. 1st Mtge. Collateral Trust 5%, 1957..	\$ 47,712.69
136,800	One Fifth Avenue Corp. of N. Y. 1st Mortgage 5%, 1940.....	95,760.00
50,000	Phillips Petroleum Co. Deb. Sinking Fund 5¼%, 1939.....	47,339.80
<hr/>		
\$ 236,800		\$ 190,812.49

## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 83,000.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	37,200.00
2,000 Shares	Canadian Pacific R. R. Common.....	54,000.00
500 Shares	Chicago & North Western Railway Co. Common.....	17,500.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. Pfd.....	39,000.00
500 Shares	Great Northern Railway Co. Non-Cum. Pfd.....	26,500.00



# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

	FAIR MARKET VALUE
500 Shares Illinois Central R. R. Co. Common.....	\$ 26,000.00
500 Shares Missouri, Kansas, Texas R. R. Co. Cum. Pfd. "A".....	30,000.00
500 Shares Missouri Pacific R. R. Co. Cum. Conv. Pfd.....	36,500.00
650 Shares New York Central R. R. Co. Common.....	60,450.00
500 Shares N. Y., N. H. & H. R. R. Co. Cum. Pfd.....	56,500.00
500 Shares Norfolk & Western Railway Co. Common.....	85,500.00
500 Shares Northern Pacific Railway Co. Common.....	22,500.00
600 Shares Pennsylvania R. R. Co.....	28,800.00
500 Shares St. Louis-San Francisco Railway Co. Common.....	7,150.00
500 Shares Southern Pacific Co. Common.....	42,000.00
500 Shares Southern Railway Co. Common.....	19,500.00
500 Shares Union Pacific Railway Co. Common.....	85,500.00
	<hr/>
	\$ 757,600.00

## PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. Cum. Pfd.....	\$ 22,000.00
500 Shares American Water Works & Electric Co., Inc., Cum. 1st Pfd.....	49,500.00
1,100 Shares Consolidated Gas Co. of N. Y. Common.....	106,700.00
200 Shares Electric Bond & Share Co. Cum. Pfd.....	18,400.00
200 Shares Electric Power & Light Co. Cum. Pfd.....	18,200.00
500 Shares Electric Power & Light Co. Common.....	20,500.00
500 Shares Federal Light & Traction Co. Cum. Pfd.....	44,500.00
500 Shares North American Co. Cum. Pfd.....	28,000.00
500 Shares Standard Gas & Electric Co. Cum. Pfd.....	30,000.00
600 Shares United Gas Improvement Co. Common.....	18,000.00
	<hr/>
	\$ 355,800.00

## BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 31,150.00
500 Shares Chase National Bank and Chase Securities Corp. of New York...	39,500.00
10 Shares First National Bank, New York City.....	36,150.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	25,600.00
65 Shares Guaranty Trust Co., New York City.....	29,965.00
1,750 Shares Manhattan Co., New York City.....	136,500.00
1,750 Shares New York Title and Mortgage Corp., New York City.....	3,281.25
	<hr/>
	\$ 302,146.25



# NEW YORK CASUALTY COMPANY—Continued

MISCELLANEOUS STOCKS		FAIR MARKET VALUE
500 Shares American Smelting & Refining Co., Common.....	\$	18,500.00
500 Shares Anaconda Copper Mining Co.....		14,500.00
500 Shares Eastman Kodak Co., Common.....		75,000.00
500 Shares Kennecott Copper Co.....		10,500.00
500 Shares Pullman, Inc.....		19,500.00
1,000 Shares Standard Oil Co. of New Jersey.....		39,000.00
1,000 Shares Socony—Vacuum Corp.....		18,000.00
		<hr/>
		\$ 195,000.00

## RECAPITULATION

\$ 969,700 Mortgage Loans.....	\$	969,700.00
<hr/>		
415,000 U. S. Government Bonds.....	\$	415,956.31
260,000 State and Provincial Bonds.....		244,644.42
750,000 Railroad Bonds.....		647,156.70
120,000 Public Utility Bonds.....		121,736.61
236,800 Miscellaneous Bonds.....		190,812.49
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\$1,781,800 Total of Bonds.....	\$1,620,306.53	
<hr/>		
Railroad Stocks.....	\$	757,600.00
Public Utility Stocks.....		355,800.00
Bank and Trust Company Stocks.....		302,146.25
Miscellaneous Stocks.....		195,000.00
<hr/>		
Total of Stocks.....	\$1,610,546.25	
<hr/>		
GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS		
OWNED BY NEW YORK CASUALTY COMPANY.....		\$4,200,552.78

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners.

# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR  
VALUE

## GOVERNMENT BONDS

\*FAIR MARKET  
VALUE

\$ 25,000.00 Dominion of Canada Conversion Loan, 4½%, 1959 (5½% to 1934)...	\$24,670.00
10,000.00 Dominion of Canada 1931 National Service Loan, 5%, 1941.....	9,900.00
25,000.00 Canadian Natl. Ry. Gtd. by Dom. of Can., 5%, 1969 or earlier.....	26,750.00
5,000.00 Canadian Natl. Ry. Gtd. by Dom. of Can., 4½%, 1956.....	4,862.50
5,000.00 Canadian Natl. Ry. Equip. Tr. Ser. "K" Gtd. by Dom. of Can., 5%, 1939	5,100.00
15,000.00 Canadian Natl. Ry. Equip. Gtd. by Dom. of Can., 5%, 1935.....	15,150.00
5,000.00 Province of Alberta, 4½%, 1956.....	4,900.00
2,000.00 Province of Manitoba Drainage District, 4%, 1933.....	1,980.00
10,000.00 Province of New Brunswick, 5%, 1959.....	10,500.00
10,000.00 Province of New Brunswick, 3%, 1939.....	8,900.00
5,000.00 Province of Nova Scotia, 5%, 1960.....	5,300.00
10,000.00 Province of Ontario, 6%, 1935.....	10,500.00
25,000.00 Province of Ontario, 5%, 1959.....	26,750.00
4,000.00 Province of Ontario, 4½%, 1944.....	4,000.00
10,000.00 Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 6%, 1941	11,100.00
25,000.00 Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 4%, 1957	24,250.00
5,000.00 Province of Saskatchewan, 6%, 1936.....	5,300.00
25,000.00 Kingdom of Norway External Loan, 5%, 1933-63.....	25,250.00

\$221,000.00

\$225,162.50

## MUNICIPAL BONDS

\$ 10,000.00 City of Belleville, Ontario, 4½%, 1941.....	\$ 9,800.00
10,000.00 City of Brandon, Manitoba, 5%, 1933.....	10,000.00
2,000.00 City of Brandon, Manitoba, 5½%, 1939.....	2,060.00
1,000.00 City of Brandon, Manitoba, 4½%, 1942.....	960.00
2,000.00 City of Brantford, Ontario, 4½%, 1942.....	1,940.00
4,000.00 City of Brantford, Ontario, 5%, 1944.....	4,040.00
973.33 City of Calgary, Alberta, 4½%, 1941.....	944.13
2,433.32 City of Calgary, Alberta, 4½%, 1942.....	2,335.99
2,433.33 City of Calgary, Alberta, 5%, 1943.....	2,335.99
1,000.00 City of Edmonton, Alberta, 5%, 1933.....	1,000.00
10,000.00 City of Edmonton, Alberta, 5½%, 1945.....	10,500.00
2,000.00 City of Fort William, Ontario, 4½%, 1952.....	1,900.00
4,000.00 City of Fort William, Ontario, 4½%, 1957.....	3,800.00
5,000.00 City of Galt, Ontario, 5%, 1937.....	5,050.00

\*Values fixed by the Dominion Department of Insurance, Ottawa, Canada.

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$ 5,000.00	City of Galt, Ontario, 5½%, 1936. . . . .	\$ 5,150.00
5,000.00	City of Halifax, Nova Scotia, 5%, 1961. . . . .	5,150.00
1,946.66	City of Hamilton, Ontario, 4%, 1940. . . . .	1,849.33
10,000.00	City of Hamilton, Ontario, 5%, 1938-39. . . . .	10,100.00
10,000.00	City of Kitchener, Ontario, 4½%, 1937. . . . .	9,800.00
10,000.00	Montreal Metropolitan Commission, 5%, 1966. . . . .	10,500.00
16,568.64	City of Niagara Falls, Ontario, 5½%, 1933 to 1938. . . . .	16,900.01
10,000.00	City of North Bay, Ontario, 5%, 1938 to 1941. . . . .	10,100.00
2,000.00	City of North Bay, Ontario, 5%, 1942-43. . . . .	2,020.00
2,000.00	City of Oshawa, Ontario, 5½%, 1946. . . . .	2,120.00
5,000.00	City of Oshawa, Ontario, 5%, 1938. . . . .	5,000.00
6,000.00	City of Ottawa, Ontario, 6%, 1940. . . . .	6,540.00
10,000.00	City of Peterborough, Ontario, 4½%, 1939. . . . .	9,600.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945. . . . .	3,030.00
2,000.00	City of Port Arthur, Ontario, 5%, 1937. . . . .	2,000.00
7,000.00	Portage Industrial Exhibition Gtd. by City of Portage la Prairie, Manitoba, 5%, 1934. . . . .	6,930.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942. . . . .	5,250.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951. . . . .	1,785.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948. . . . .	4,750.00
4,000.00	City of St. Catharines, Ontario, 4%, 1935. . . . .	3,880.00
5,000.00	City of Sarnia, Ontario, 6%, 1939. . . . .	5,400.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942. . . . .	14,100.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947. . . . .	2,080.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952. . . . .	5,775.00
5,000.00	City of Toronto, Ontario, 6%, 1935. . . . .	5,250.00
15,000.00	City of Toronto, Ontario, 5%, 1945. . . . .	15,600.00
50,000.00	City of Toronto, Ontario, 6%, 1945. . . . .	56,500.00
14,600.00	City of Toronto, Ontario, 4%, 1948. . . . .	13,578.00
13,000.00	City of Toronto, Ontario, 5%, 1953. . . . .	13,650.00
10,000.00	Toronto Harbor Commissioners Gtd. by City of Toronto, 4½%, 1953. . . . .	9,900.00
9,733.33	City of Victoria, British Columbia, 4%, 1936. . . . .	9,344.00
15,000.00	City of Victoria, British Columbia, 5½%, 1941. . . . .	15,900.00
1,000.00	City of Victoria, British Columbia, 5½%, 1941. . . . .	1,060.00
1,000.00	City of Victoria, British Columbia, 5½%, 1945. . . . .	1,070.00
2,000.00	City of Welland, Ontario, 4½%, 1939. . . . .	1,940.00
1,703.33	City of Winnipeg, Manitoba, Reg'd. Stock, 4½%, 1943/63. . . . .	1,652.23



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$ 9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946 to 1949. . .	\$10,661.69
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952. . . . .	4,280.00
3,000.00	Town of Collingwood, Ontario, Gtd. by County of Simcoe, Ontario, 5%, 1944. . . . .	3,060.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943-44. . . . .	6,060.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945. . . . .	4,040.00
2,000.00	Town of Dundas, Ontario, 5%, 1948. . . . .	2,020.00
8,000.00	Town of Dundas, Ontario, 5%, 1949. . . . .	8,080.00
5,000.00	Town of Lindsay, Ontario, 5½%, 1934. . . . .	5,100.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937 to 1941. . . . .	1,877.23
6,000.00	Town of Sandwich, Ontario, 5½%, 1945. . . . .	4,500.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940 to 1942. . . . .	5,020.18
17,000.00	Town of Sorel, Quebec, 5%, 1952. . . . .	17,000.00
2,464.54	Town of Smith's Falls, Ontario, 5½%, 1933 to 1935. . . . .	2,513.83
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940. . . . .	5,050.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3% to 1932, 3½%, 1933 to 1937. . . . .	3,250.00
1,670.36	Town of Watrous, Saskatchewan, 5½%, 1933 to 1956. . . . .	1,603.55
2,000.00	Town of Welland, Ontario, 5½%, 1934. . . . .	2,040.00
6,145.49	Town of Weston, Ontario, 5%, 1947. . . . .	6,206.94
10,000.00	Township of Barton, Ontario, 5%, 1944. . . . .	10,100.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49. . . . .	6,930.00
5,000.00	Township of East York, Ontario, 5½%, 1947. . . . .	5,250.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963. . . . .	1,960.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959. . . . .	6,510.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956. . . . .	765.00
5,000.00	Township of Scarborough, Ontario, 5%, 1942. . . . .	5,050.00
10,000.00	Township of Scarborough, Ontario, 5%, 1940. . . . .	10,100.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960. . . . .	7,070.00
5,000.00	Greater Winnipeg Water District, 6%, 1940. . . . .	5,450.00
5,000.00	County of Carleton, Ontario, 6%, 1939-44. . . . .	5,500.00
10,000.00	County of Essex, Ontario, 5½%, 1936. . . . .	10,300.00
8,000.00	County of Haldimand, Ontario, 5%, 1934-37. . . . .	8,080.00
11,000.00	United Counties of Lennox & Addington, 4½%, 1935-39. . . . .	10,890.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942. . . . .	7,420.00
<hr/> \$539,107.34		<hr/> \$545,658.10



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS	FAIR MARKET VALUE
\$ 1,000.00	Brandon, Manitoba, School District No. 129, 4%, 1936.....	\$ 950.00
5,000.00	City of Hamilton, Ont., Roman Catholic Separate School, 5%, 1949...	5,050.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943.....	6,790.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-52.....	6,720.00
1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953.....	1,120.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953 to 1960.....	9,518.59
5,000.00	Roman Catholic School, Toronto, 5%, 1945.....	5,100.00
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\$ 35,346.29		\$35,248.59

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp., Toronto, 5¼%, 1935.....	\$10,000.00
20,000.00	Canada Permanent Mortgage Corp., Toronto, 5%, 1935.....	20,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1935.....	30,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1935.....	25,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1934.....	20,000.00
10,000.00	Abitibi Power & Paper Co., Ltd., 1st Mtge. Series A, 5%, 1953.....	6,000.00
10,000.00	British Columbia Tel Co., Ltd., 1st Mtge. Series A, 5%, 1960.....	9,500.00
10,000.00	Canada Cement Co., Ltd., 1st Mtge. S. F. Ser. A, 5½%, 1947.....	10,000.00
5,000.00	Canadian International Paper Co., 1st Mtge., 6%, 1949.....	3,250.00
5,000.00	Consolidated Paper Corp., Ltd., 1st Mortgage, 1961.....	1,800.00
25,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 5%, 1949.....	24,000.00
35,000.00	Gatineau Power Co., 1st Mortgage S. F., 5%, 1956.....	32,900.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage, S. F. 5½%, 1949	8,300.00
20,000.00	Massey-Harris Co., Ltd., Toronto, S. F. Deb., 5%, 1947.....	18,600.00
5,000.00	Quebec Power Co., 1st Mtge. Coll. Tr. Ser. A, 5%, 1968.....	5,050.00
10,000.00	Simpson's, Ltd., 1st Mtge. Coll. Tr. Series A, 6%, 1949.....	10,100.00
5,000.00	United Gas & Fuel Co. of Hamilton, Ltd., 1st Mtge. S. F., 5½%, 1948	4,850.00
5,000.00	United Grain Growers, Ltd., 1st Mtge. S. F. Series A, 5%, 1948.....	4,350.00
5,000.00	West Kootenay Power & Light Co., Ltd., 1st Mtge. Series A, Gtd. by The Consolidated Mining & Smelting Co. of Canada, Ltd., 5%, 1956	4,850.00
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\$265,000.00		\$248,550.00

# THE CANADIAN SURETY COMPANY—Continued

STOCKS		FAIR MARKET VALUE
100 Shares International Milling Co. (Cumulative Sinking Fund First Preferred— par value \$100.00) 7%.....	\$	9,800.00
200 Shares Canadian General Electric Co., Ltd. (Cumulative Preferred—par value \$50.00) 7%.....		12,600.00
200 Shares Canadian Pacific Railway Stock (Common—par value \$25.00).....		5,400.00
		<u>\$27,800.00</u>

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	
\$ 5,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1935.....	\$ 5,000.00
15,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1934.....	15,000.00
10,000.00	National Trust Co., Ltd., Toronto, 5¼%, 1934.....	10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1935.....	5,000.00
25,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1934.....	25,000.00
5,000.00	Union Trust Company, 5%, 1934.....	5,000.00
<u>\$ 65,000.00</u>		<u>\$65,000.00</u>

RECAPITULATION		
\$ 221,000.00	Government Bonds.....	\$ 225,162.50
539,107.34	Municipal Bonds.....	545,658.10
35,346.29	School Bonds.....	35,248.59
265,000.00	Miscellaneous Bonds.....	248,550.00
<hr/>		<hr/>
\$1,060,453.63	TOTAL OF BONDS.....	\$1,054,619.19
	Stocks.....	27,800.00
	Deposits with Trust Companies for Investment.....	65,000.00
		<hr/>
	GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....	\$1,147,419.19

NOTE: Securities are stated at values fixed by the Dominion Department of Insurance, Ottawa, Canada.

SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	FAIR MARKET VALUE
\$10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	\$ 10,500.00
10,000	American Power & Light Company Deb. 6%, 2016.....	9,934.24
20,000	American Telephone & Telegraph Company Deb. 5%, 1965.....	19,949.22
10,000	Baltimore & Ohio Conv. $4\frac{1}{2}\%$ , 1960.....	10,000.00
15,000	Brooklyn-Manhattan Transit Corporation Rapid Transit Secured S. F. Series "A" 6%, 1968.....	14,415.95
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975	18,993.19
20,000	Chicago & North Western Ry. Conv. Series "A" $4\frac{3}{4}\%$ , 1949.....	15,800.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. $4\frac{1}{2}\%$ , 1960.....	10,023.49
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	9,784.79
88,000	Mexican Federal Government 5%, Exterior 1945.....	3,520.00*
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955...	9,973.27
10,000	Ohio Edison 1st & Cons. 5%, 1960.....	10,000.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A", $5\frac{1}{2}\%$ , 1952....	10,130.77
10,000	St. Louis & San Francisco Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit)	4,300.00
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969.....	18,693.34
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	9,946.97
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	9,872.88
10,000	Wabash R. R. Company Ref. & Gen. Series "B" 5%, 1976.....	850.00
P 75,684	Banco Minero de Chihuahua.....	946.05*
300,000	Mexican Federal Government 3%, 1925.....	2,109.38*
1,100	Mexican Federal Government 5%, Interior Debt.....	13.75*
{ 531,000	Mexican Federal Government 6% }	
{ 400,000	Participation Certificate 6%..... }	.31*
106,800	United Shoe & Leather Company 5%, 1941.....	19,657.97*
STOCKS		
100	Shares American Superpower 1st Preferred.....	9,200.00
84	Shares Commonwealth & Southern Corporation Preferred.....	8,064.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	16,800.00
1	Share Mexico City Country Club.....	1,562.50*
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		\$255,042.07

NOTE: Bonds and stocks are valued on the basis adopted by the National Convention of Insurance Commissioners, except those marked \* which are stated at December 31, 1932, market prices.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	FAIR MARKET VALUE
\$10,000 Brooklyn-Manhattan Transit Corp., Series "A", 6%, 1968.....	\$ 9,664.33
50,000 New England Power Association Deb., 5%, 1948.....	49,894.32

## STOCKS

800 Shares Amnyco Printing & Supply Corporation.....	40,000.00*
66 Shares Canadian Surety Company.....	9,700.00*
100 Shares Engineers Public Service Co. Convertible Preferred.....	8,000.00
1,000 Shares International Paper & Power Co. Cumulative Preferred.....	25,000.00
600 Shares Lehigh Valley Coal Corporation Preferred.....	16,800.00
9 Shares Title Guaranty & Surety Company.....	90.00
200 Shares United Corporation Common.....	4,800.00
	<hr/>
	\$163,948.65

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners, except investment in affiliated companies, items marked \*, which are stated at cost.





REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1933

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*Vice-Chairman*

A. F. LAFRENTZ  
*President*

RICHARD DEMING  
*First Vice-President*

### *Vice-Presidents*

W. M. TOMLINS, JR.

W. E. MCKELL

E. F. WATSON

G. L. NAUGHT

F. J. PARRY

B. J. MCGINN

LEWIS H. PARRY

L. S. MOORE

M. L. JENKS

J. CARROLL FRENCH

D. H. COOK

R. B. HAMILTON

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

S. C. HEMSTREET  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT  
CHARLES H. ALLEN  
JOHN ANDERSON  
GOODWIN B. BEACH  
EDWIN L. BLABON  
A. J. BROSSÉAU  
R. R. BROWN  
NEWCOMB CARLTON  
CLARENCE E. CHAPMAN  
FANNIN W. CHARSKE  
RICHARD DEMING  
C. G. DuBois  
W. N. DYKMAN  
J. CARROLL FRENCH  
ARCHIBALD R. GRAUSTEIN  
F. COIT JOHNSON  
HARRY A. KAHLER  
WALTER KASTEN  
JOHN L. KEMMERER  
F. M. KIRBY  
F. W. LAFRENTZ

A. F. LAFRENTZ  
JAMES T. LEE  
EDWARD E. LOOMIS  
L. F. LOREE  
JEREMIAH T. MAHONEY  
W. E. MCKELL  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
J. R. MORRON  
LEWIS H. PARRY  
SEWARD PROSSER  
LINDSAY RUSSELL  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
VALENTINE P. SNYDER  
W. M. TOMLINS, JR.  
L. A. WATRES  
WILLIAM WHITING  
ALBERT H. WIGGIN  
BENJAMIN L. WINCHELL

BRONSON WINTHROP



COMPARATIVE FINANCIAL STATEMENT  
AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

RESOURCES

	1933	1932	Increase	Decrease
Real Estate.....	\$10,000,000.00	\$ 8,300,000.00	\$1,700,000.00	
Bonds.....	4,051,644.59	4,381,721.66		\$ 330,077.07
Stocks.....	6,465,014.82	8,439,172.82		1,974,158.00
Premiums in Course of Col- lection (less estimated premiums over ninety days due).....	1,768,548.80	1,705,857.94	62,690.86	
Cash in Banks and Offices..	818,789.27	766,094.92	52,694.35	
Reinsurance and Other Accounts Receivable.....	111,465.84	296,413.78		184,947.94
Accrued Interest Receivable	61,985.24	68,559.40		6,574.16
	<u>\$23,277,448.56</u>	<u>\$23,957,820.52</u>		<u>\$ 680,371.96</u>

LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits.....	1,823,599.45	1,784,666.95	\$ 38,932.50	
Contingency Reserve.....	1,296,655.63	2,000,000.00		\$ 703,344.37
Reserve for Unearned Premiums.....	5,779,620.30	5,881,412.67		101,792.37
Reserve for Reported Losses	4,275,301.85	4,608,344.02		333,042.17
Reserve for Unreported Losses.....	1,455,000.00	1,000,000.00	455,000.00	
Reserve for Expenses and Taxes.....	777,909.71	820,197.23		42,287.52
Reinsurance and Other Accounts Payable.....	369,361.62	363,199.65	6,161.97	
	<u>\$23,277,448.56</u>	<u>\$23,957,820.52</u>		<u>\$ 680,371.96</u>

January 16, 1934.

TO THE BOARD OF TRUSTEES:

The results of the operations of our Company for the year ended December 31, 1933 (being the fiftieth year of its operation), are given below:

		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$11,890,327.49	(Decrease \$	55,987.74)
Less Reinsurance Ceded.....	2,872,009.70	(Decrease	166,327.75)
Net Premiums Written.....	9,018,317.79	(Increase	110,340.01)
Decrease in Unearned Premium Reserve....	101,792.37	(Decrease	394,168.56)
Earned Premiums.....	9,120,110.16	(Decrease	283,828.55)
From Home Office Building—			
Rents less Operating Cost.....	621,398.30	(Decrease	71,909.69)
From Securities—Interest and Dividends.....	393,082.74	(Decrease	92,810.39)
TOTAL INCOME.....	\$10,134,591.20	(Decrease	448,548.63)
OUTGO:			
For Operating Expenses Paid.....	\$ 3,392,200.33	(Decrease	109,970.25)
For Claim Expenses Paid.....	653,078.83	(Increase	76,708.18)
For Commissions Paid.....	1,510,946.80	(Increase	13,575.98)
For Taxes Paid.....	232,871.86	(Decrease	6,604.24)
For Losses Incurred.....	\$4,930,383.78	(Decrease	1,255,720.51)
Less Cash Salvage.....	1,028,405.81	(Decrease	538,631.24)
Net Losses Incurred.....	3,901,977.97	(Decrease	717,089.27)
TOTAL OUTGO.....	\$ 9,691,075.79	(Decrease	743,379.60)
EXCESS OF INCOME OVER OUTGO.....		\$	443,515.41
(Increase of \$294,830.97)			
DECREASE IN:			
Reserve for Refunds.....	\$ 9,254.70		
Reserve for Expenses.....	38,807.15		
Reserve for Overdue Premiums.....	95,000.00		
Profit on Sundry Items.....	463.53	\$ 143,525.38	
Agents' Balances Charged Off.....	2,434.46		141,090.92
Investment Income less Underwriting Loss.....			584,606.33
Add:			
Profit on Sale of Securities.....	10,856.50		
Less Appreciation taken on same prior to January 1, 1933.....	7,358.81		3,497.69
			588,104.02
Transfer to Special Reserve for Unreported Losses.....			355,000.00
Balance added to Surplus (Carried forward).....		\$	233,104.02

Brought forward.....	\$ 233,104.02	
Surplus January 1, 1933.....	1,784,666.95	
		<u>2,017,770.97</u>
Deduct:		
Transfer to Reserve for Depreciation of Securities Unsold.....	\$1,894,171.52	
Less Readjustment of Value of Home Office Building		
as result of Appraisal June 5, 1933.....	1,700,000.00	<u>194,171.52</u>
SURPLUS DECEMBER 31, 1933.....	\$1,823,599.45	<u></u>

The increase in Net Premiums Written of \$110,340.01, or 1.2%, as compared with the preceding year, was especially gratifying for two reasons:

First: It was decided to curtail our writings of Depository Bonds, which resulted in a reduction of premium income on this class of bond by approximately 50%. Consequently this loss of premium volume has been more than made up by an increase in other lines.

Second: In view of present business conditions, various classes of bonds in the nature of Financial Guarantees, such as Appeal Bonds, which formerly were written in many cases on the strength of the applicant's financial responsibility, are now for the most part written with collateral security, cash or Government Bonds.

It is interesting to note that all lines showed some slight increase in Net Premium Volume, with the exception of Surety, the latter having been affected not only by the large cancellations on Depository Bonds but also by the falling off in Contract Bond Premiums for the past several years.

Reinsurance ceded showed a decrease of \$166,327.75, or 5.5%.

The decrease in Unearned Premium Reserve of \$101,792.37 resulted in Earned Premiums of \$9,120,110.16 for 1933.

The Net Income from the Company's Home Office Building was \$621,398.30, a decrease of \$71,909.69, or 10.4%. Gross rentals decreased \$89,709.69, or 8.7%, while Taxes, Maintenance and Operating Costs declined \$17,800.00, or 4.41%.

Interest and Dividends from the Company's Investments were \$393,082.74, a decrease of \$92,810.39, or 19.1%. Receipts from Interest showed a decline of \$27,962.79, and Dividends decreased \$64,847.60 as compared with 1932.

Our Operating Expenses were reduced by \$109,970.25, or 3.1%.

Claim Expenses, however, were heavier by \$76,708.18, or 13.3%. This increase is largely due to settlement of claim cases reported prior to 1933.



Commissions Paid showed less than 1% increase, while Taxes have decreased \$6,604.24, or 2.8%.

The Year just ended has brought about a most encouraging result with respect to Incurred Losses of \$4,930,383.78, representing a decrease in this item of \$1,255,720.51, or 20.3%. This decline is reflected in all classes, with the exception of certain Surety classifications.

Cash Salvage Received of \$1,028,405.81, the only item of Salvage for which credit is taken, showed a substantial decrease of \$538,631.24, or 34.4%. This is accounted for in the main by the much slower liquidation of failed banks during 1933, from which sources a large portion of our salvage was received during 1932. This slower and more orderly liquidation of closed banks should inure to our benefit in the future in the form of larger dividends on losses already paid under Depository Bonds than would otherwise have been received under forced liquidation.

The sale of Securities resulted in a profit of \$10,856.50, on which Securities an appreciation of \$7,358.81 had been taken prior to January 1, 1933.

The operations for the year 1933 resulted in an addition to Surplus of \$233,104.02 after setting aside in Special Reserve for Unreported Losses the sum of \$355,000.

The Company's Real Estate, consisting of its Home Office Building, located at 100 Broadway, was appraised by the New York State Insurance Department at \$10,000,000 on June 5, 1933, in connection with the Department's regular Triennial Examination. In accordance with this appraisal, the Book Value of the property was increased by \$1,700,000.00. At the present time, the Building is approximately 92% rented as against 94% a year ago, and while there has been a slight decrease in Income from this source by reason of some readjustments in rentals, the return on this investment at the new valuation is 6.21%. Both from the standpoint of stability and earning power this property has, over a period of years, proved to be a most excellent investment.

Securities of \$10,516,659.41 are valued on the basis adopted by the National Convention of Insurance Commissioners, except that stocks of subsidiary companies are carried at \$321,791.39 less than their book value.

A further transfer of \$1,894,171.52 to Reserve for Depreciation of Securities Unsold was made.

The Contingency Reserve of \$1,296,655.63 is equivalent to the difference between values carried in the assets for non-amortizable bonds and for stocks and the actual market quotations on such stocks and bonds as of December 31, 1933.

For the purpose of enabling the New York Casualty Company to provide additional reserve of \$444,196.20 for depreciation of securities unsold, this Company contributed during the year to the New York Casualty Company a total of \$349,825.00, representing \$8.75 on each share of the stock of that Company held by it.

From premiums in Course of Collection is deducted \$344,716.08 to cover premiums due on bonds and policies effective prior to October 1 which are disallowed as an Asset by the Insurance Department notwithstanding a majority of these items are considered good and collectible.



The Reserve for Unearned Premiums of \$5,779,620.30 is computed on the fifty per cent basis for annual premiums and on the pro-rata basis for term premiums in force, which is in excess of the pro-rata basis for all premiums in force, the method used by the Insurance Department. The Insurance Law of New York State does not permit credit to be taken for unearned premiums in connection with reinsurance ceded to companies not authorized to do business in the State of New York. This results in duplication of reserves approximating \$175,000.00 carried by this Company and its affiliates, The Canadian Surety Company and Compania Mexicana de Garantias, S. A.

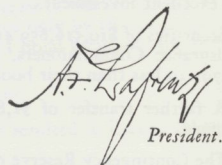
The Reserve for Reported Losses and Claims in Process of Settlement and Adjustment amounts to \$4,275,301.85 and is based on an adequate reserve for all known claims.

The Reserve for Unreported Losses has been increased to \$1,455,000.

The Company, one of the pioneers in the field for furnishing Fidelity and Surety Bonds, will round out on April 14, 1934, a half century of progress in service to the insuring public. Incorporated on December 7, 1881, the Company commenced the writing of Fidelity and Surety Bonds on April 14, 1884, with a capital of \$500,000.00. Today its resources are \$23,277,448.56 and its Capital and Surplus amount to \$9,323,599.45. By successive stages it has extended its business to include, in addition to Fidelity and Surety Bonds, Burglary and Robbery, Forgery, Plate Glass and other Casualty Insurance. With its extensive organization as well as through its affiliates, the New York Casualty Company, The Canadian Surety Company and the Compania Mexicana de Garantias, S. A., it is equipped to furnish unexcelled service in the field of Suretyship and Casualty Insurance.

In closing I wish to commend the Officers, Employees and Members of our Agency force for the able manner in which they have performed their duties and to thank the Members of this Board for the counsel and advice they have given in the conduct of the Company's business.

Respectfully yours,



President.

## GENERAL INFORMATION

There were presented to us during 1933:

4,326 Fidelity Claims
692 Official Claims
1,063 Surety Claims
736 Burglary Claims
308 Forgery Claims
1,369 Plate Glass Claims
9,655 Other Casualty Claims

Making a total of 18,149 (An increase of 929 as compared with 1932).

### LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{	Year 1933 . . .	48.01
		Entire Period . .	29.90
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{	Year 1933 . . .	32.43
		Entire Period . .	37.02
Plate Glass Claims Paid to Net Premiums . . . . .	{	Year 1933 . . .	31.71
		Entire Period . .	30.79
Other Casualty Claims Paid to Net Premiums . . . . .	{	Year 1933 . . .	44.14
		Entire Period . .	35.86

The Company has an agency organization consisting of 41 Branch and Service Offices on a salary basis, and 12,149 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$185,819,614.38
Its Net Paid Losses were . . . . .	56,733,009.46
And Its Expenses were . . . . .	111,640,694.60
Leaving an excess from underwriting, subject to Reserves, of . . . . .	17,445,910.32
Which is equivalent to 9.39% of the Net Premium Income.	
Our Stockholders have received in Cash Dividends . . . . .	\$ 21,387,368.00

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1933

RESOURCES

Real Estate . . . . .		\$10,204,019.39
Bonds, Stocks and Debentures (See Note) . . . . .		12,261,237.75
Premiums in Course of Collection . . . . .	\$2,704,453.33	
Less premiums due more than ninety days (estimated) . . . . .	410,318.25	2,294,135.08
Cash . . . . .		1,120,685.07
Mortgage and other Loans Receivable . . . . .		1,212,972.53
Reinsurance and other Accounts Receivable . . . . .		297,053.39
Accrued Interest Receivable . . . . .		122,681.23
		<hr/>
		\$27,512,784.44

LIABILITIES

Capital Stock (300,000 shares Par Value \$25.00 per share) . . . . .		\$ 7,500,000.00
Surplus and Undivided Profits . . . . .	\$2,145,390.84	
Legal Fund Provision—Mexico . . . . .	41,666.67	2,187,057.51
Contingency Reserve . . . . .		1,732,134.48
*Minority Interest in Subsidiary Companies . . . . .		110,204.38
Reserve for Unearned Premiums . . . . .		7,280,885.90
Reserve for Reported Losses . . . . .		5,711,366.25
Reserve for Unreported Losses . . . . .		1,580,000.00
Reserve for Expenses and Taxes . . . . .		989,295.72
Reinsurance and other Accounts Payable . . . . .		421,840.20
		<hr/>
		\$27,512,784.44

\*Minority Interest in Subsidiary Companies consists of:  
20 Shares New York Casualty Company Stock  
692 Shares Canadian Surety Company Stock  
25 Shares Compania Mexicana de Garantias, S. A. Stock

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners except certain items which are at December 31, 1933, market prices and except that securities owned by The Canadian Surety Company are stated at values fixed by the Department of Insurance of the Dominion of Canada.

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1933

## RESOURCES

Real Estate . . . . .		\$10,000,000.00	
(Home Office Premises, unencumbered, appraised by New York Insurance Department June 5, 1933)			
Securities (At Cost):			
Bonds . . . . .	\$ 4,560,886.36		
Stocks . . . . .	10,575,053.76	\$15,135,940.12	
Less difference between cost and values on basis adopted by the National Convention of Insurance Commissioners . . . . .		4,619,280.71	10,516,659.41
Premiums in Course of Collection . . . . .	2,113,264.88		
Less premiums due more than ninety days (Estimated) . . . . .	344,716.08		1,768,548.80
Cash in Banks and Offices . . . . .			818,789.27
Reinsurance and Other Accounts Receivable . . . . .			111,465.84
Accrued Interest Receivable . . . . .			61,985.24
			<u>\$23,277,448.56</u>

## LIABILITIES

Capital Stock . . . . .	\$ 7,500,000.00	
Surplus and Undivided Profits . . . . .	1,823,599.45	
Contingency Reserve, representing difference between values carried in assets for non-amortizable bonds and for stocks and actual December 31, 1933, market quotations on such bonds and stocks . . . . .	1,296,655.63	
Reserve for Unearned Premiums . . . . .	5,779,620.30	
Reserve for Reported Losses . . . . .	4,275,301.85	
Reserve for Unreported Losses . . . . .	1,455,000.00	
Reserve for Expenses and Taxes . . . . .	777,909.71	
Reinsurance and Other Accounts Payable . . . . .	369,361.62	
	<u>\$23,277,448.56</u>	



The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

review show:		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$2,572,200.65	(Decrease \$ 63,179.54)	
Less Reinsurance Ceded.....	338,336.59	(Increase 130,490.62)	
Net Premiums Written.....	2,233,864.06	(Decrease 193,670.16)	
Decrease in Unearned Premium Reserve....	100,171.07	(Decrease 172,915.46)	
Earned Premiums.....	2,334,035.13	(Decrease 20,754.70)	
From Securities—Interest and Dividends.....	152,055.52	(Decrease 24,525.73)	
TOTAL INCOME.....	<u>\$2,486,090.65</u>	(Decrease 45,280.43)	
OUTGO:			
For Operating Expenses Paid.....	\$ 511,754.19	(Decrease 32,609.42)	
For Claim Expenses Paid.....	259,973.27	(Decrease 12,954.15)	
For Commissions Paid.....	548,450.64	(Decrease 27,986.48)	
For Taxes Paid.....	64,357.06	(Increase 2,222.53)	
For Losses Incurred.....	\$1,215,135.89	(Decrease 243,833.39)	
Less Cash Salvage.....	60,714.14	(Decrease 16,893.32)	
Net Losses Incurred.....	1,154,421.75	(Decrease 226,940.07)	
TOTAL OUTGO.....	<u>\$2,538,956.91</u>	(Decrease 298,267.59)	
EXCESS OF OUTGO OVER INCOME.....		\$ 52,866.26	
(Decrease of \$252,987.16)			
DECREASE IN:			
Reserve for Expenses.....	\$10,216.72		
Reserve for Overdue Premiums....	35,000.00		
	45,216.72		
INCREASE IN:			
Special Claim Reserve.....	10,000.00	\$ 35,216.72	
Agents' Balances Charged Off.....	10,682.73		24,533.99
Underwriting Loss less Investment Income.....			28,332.27
Deduct:			
Profit on Sale of Securities.....	7,366.06		
Depreciation taken on same prior to January 1, 1933.....	129.28		7,495.34
			20,836.93
Surplus January 1, 1933.....	320,090.17		
Contributed to Surplus Account by Stockholders ...	349,825.00		669,915.17
			649,078.24
Deduct:			
Transfer to Reserve for Depreciation of Securities Unsold.....			444,196.20
Surplus December 31, 1933.....			<u>\$204,882.04</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1933

## RESOURCES

Real Estate and Improvements . . . . .	\$	14,000.00	
(Subsequently sold without loss to the Company)			
Real Estate Mortgages . . . . .		946,775.00	
Securities (At Cost):			
Bonds . . . . .	\$1,646,344.61		
Stocks . . . . .	2,254,783.83	\$3,901,128.44	
Less difference between cost and values on basis adopted by the National Convention of Insurance Commissioners . . . . .		1,377,854.79	2,523,273.65
Premiums in Course of Collection . . . . .	509,209.48		
Less Premiums due more than ninety days (Estimated) . . . . .	49,186.38		460,023.10
Cash in Banks and Offices . . . . .		133,689.81	
Reinsurance and Other Accounts Receivable . . . . .		62,664.11	
Accrued Interest Receivable . . . . .		37,461.83	
			\$4,177,887.50

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share) . . . . .	\$1,000,000.00	
Surplus and Undivided Profits . . . . .	204,882.04	
Contingency Reserve, representing difference between values carried in assets for non-amortizable bonds and for stocks and actual December 31, 1933, market quotations on such bonds and stocks . . . . .	347,991.73	
Reserve for Unearned Premiums . . . . .	1,149,727.60	
Reserve for Reported Losses . . . . .	1,126,353.73	
Reserve for Unreported Losses . . . . .	125,000.00	
Reserve for Expenses and Taxes . . . . .	187,430.52	
Reinsurance and Other Accounts Payable . . . . .	36,501.88	
		\$4,177,887.50

American Surety Company of New York owns 39,980 of the 40,000 shares of capital stock of this Company, and carries the same at \$30.00 per share.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written . . . . .	\$537,977.52	(Decrease \$62,919.28)
Less Reinsurance Ceded . . . . .	89,044.87	(Decrease 15,457.78)
Net Premiums Written . . . . .	448,932.65	(Decrease 47,461.50)
Decrease in Unearned Premium Reserve . . . . .	16,847.03	(Decrease 1,187.83)
Earned Premiums . . . . .	465,779.68	(Decrease 48,649.33)
From Securities—Interest and Dividends . . . . .	55,331.62	(Decrease 2,331.92)
TOTAL INCOME . . . . .	<u>\$521,111.30</u>	(Decrease 50,981.25)
OUTGO:		
For Operating Expenses Paid . . . . .	\$168,792.59	(Decrease 24,756.64)
For Claim Expenses Paid . . . . .	29,555.89	(Increase 8,309.80)
For Commissions Paid . . . . .	102,700.45	(Decrease 5,916.23)
For Taxes Paid . . . . .	14,146.41	(Decrease 6,845.76)
For Losses Incurred . . . . .	\$207,074.13	(Decrease 71,378.89)
Less Cash Salvage . . . . .	39,194.02	(Decrease 7,807.04)
Net Losses Incurred . . . . .	167,880.11	(Decrease 63,571.85)
TOTAL OUTGO . . . . .	<u>\$483,075.45</u>	(Decrease 92,780.68)
EXCESS OF INCOME OVER OUTGO . . . . .		\$ 38,035.85
(Increase of \$41,799.43)		
DECREASE IN:		
Reserve for Overdue Premiums . . . . .	\$ 1,680.40	
Reserve for Expenses and Taxes . . . . .	1,335.68	3,016.08
Agents' Balances Charged Off . . . . .	579.80	2,436.28
Investment Income less Underwriting Loss . . . . .		40,472.13
Loss on Securities Sold and Converted . . . . .		1,980.32
Balance Added to Surplus . . . . .		38,491.81
Surplus January 1, 1933 . . . . .		253,657.70
Decrease in Value of Securities Unsold . . . . .		292,149.51
Surplus December 31, 1933 . . . . .		<u>\$277,914.44</u>

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1933

## RESOURCES

Bonds, Stocks and Debentures (See Note) . . . . .		\$1,114,935.75
Premiums in Course of Collection . . . . .	\$71,549.67	
Less Premiums due more than ninety days . . . . .	16,415.79	55,133.88
Cash in Banks and Offices . . . . .		38,507.18
Reinsurance Receivable . . . . .		55,371.51
Accrued Interest Receivable . . . . .		12,315.10
		<hr/>
		\$1,276,263.42

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share) . . . . .	\$ 500,000.00
Surplus and Undivided Profits . . . . .	277,914.44
Voluntary Special Reserve . . . . .	30,000.00
Reserve for Unearned Premiums . . . . .	225,741.74
Reserve for Reported Losses . . . . .	203,964.53
Reserve for Expenses and Taxes . . . . .	21,344.80
Reinsurance Payable . . . . .	17,297.91
	<hr/>
	\$1,276,263.42

NOTE: Securities stated at values fixed by the Dominion Department of Insurance, Ottawa, Canada.

American Surety Company of New York owns 4,242 of the 5,000 shares of capital stock of this Company, and carries the same at \$120.00 per share.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written . . . . .	\$335,389.12	(Decrease \$ 8,580.28)
Less Reinsurance Ceded . . . . .	75,992.46	(Decrease 6,133.33)
Net Premiums Written . . . . .	259,396.66	(Decrease 2,446.95)
Decrease in Unearned Premium Reserve . . . . .	1,338.52	(Decrease 11,053.02)
Earned Premiums . . . . .	260,735.18	(Decrease 13,499.97)
From Building—Rents less Operating Cost . . . . .	11,924.31	(Increase 3,852.44)
From Securities—Interest and Dividends . . . . .	33,249.51	(Decrease 2,683.13)
TOTAL INCOME . . . . .	<u>\$305,909.00</u>	(Decrease 12,330.66)
OUTGO:		
For Expenses and Taxes Paid . . . . .	\$ 91,756.81	(Decrease 2,785.85)
For Commissions Paid . . . . .	29,607.87	(Increase 7,853.66)
For Losses Incurred . . . . .	\$135,153.94	(Decrease 61,096.44)
Less Cash Salvage . . . . .	37,704.11	(Decrease 15,012.26)
Net Losses Incurred . . . . .	97,449.83	(Decrease 46,084.18)
TOTAL OUTGO . . . . .	<u>\$218,814.51</u>	(Decrease 41,016.37)
EXCESS OF INCOME OVER OUTGO . . . . .		\$ 87,094.49
(Increase of \$28,685.71)		
Profit on Securities Sold and on Exchange . . . . .		1,268.47
Balance added to Surplus . . . . .		88,362.96
Surplus January 1, 1933 . . . . .		133,750.68
		<u>222,113.64</u>
Decrease in Value of Securities Unsold . . . . .	\$ 18,012.96	
Transferred to Legal Fund Provision . . . . .	9,000.00	
Dividends Paid . . . . .	20,000.00	
Difference in Converting Pesos at Current Rate of Exchange . . . . .	37,384.36	84,397.32
Surplus December 31, 1933 . . . . .		<u>\$137,716.32</u>

(Converted into United States Currency in the ratio of Two Pesos, Mexican, to One Dollar, United States. The loss in converting the Silver items appearing in the Financial Statement at the current rate of exchange of Three and Three-Fifth Pesos, Mexican, to One Dollar, United States, as of December 31, 1933, is reflected in the item "Difference in Converting Pesos at Current Rate of Exchange.")

# COMPANIA MEXICANA DE GARANTIAS, S. A.

(MEXICAN SURETY COMPANY)

## FINANCIAL STATEMENT, DECEMBER 31, 1933

(Converted into United States Currency, in the ratio of 3.60 Pesos, Mexican, to One Dollar, United States for Silver items and in the ratio of Two Pesos, Mexican, to One Dollar, United States for Gold items)

### RESOURCES

Real Estate—Unencumbered . . . . .	\$190,019.39
Bonds and Stocks (See Note) . . . . .	234,118.64
Premiums in Course of Collection . . . . .	10,429.30
Cash in Banks and Office . . . . .	78,943.61
Cash Deposits under Law . . . . .	33,027.77
Mortgage Loans . . . . .	98,471.10
Reinsurance and other Accounts Receivable . . . . .	30,528.75
Accrued Interest Receivable . . . . .	10,919.06
	<hr/>
	\$686,457.62

### LIABILITIES

Capital Stock (5,000 Shares. Par Value \$50.00 per Share) . . . . .	\$250,000.00
Surplus and Undivided Profits . . . . .	\$137,716.32
Legal Fund Provision . . . . .	41,666.67
	<hr/>
Contingency Reserve, representing difference between values carried in assets for non-amortizable bonds and for stocks and actual December 31, 1933 market quotations on such bonds and stocks . . . . .	21,696.00
Reserve for Unearned Premiums . . . . .	125,796.26
Reserve for Reported Losses . . . . .	105,746.14
Reserve for Expenses and Taxes . . . . .	2,610.69
Reinsurance and other Accounts Payable . . . . .	1,225.54
	<hr/>
	\$686,457.62

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners, except certain items which are stated at December 31, 1933 market prices.

American Surety Company of New York owns 4,975 of the 5,000 shares of capital stock of this Company and carries the same at par.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . .	\$14,707.74
From Other Sources . . . . .	438.53

TOTAL INCOME . . . . .	<u>\$15,146.27</u>
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OUTGO:

For Expenses Paid . . . . .	\$ 37.64
For Taxes Paid . . . . .	5,540.27

TOTAL OUTGO . . . . .	<u>\$ 5,577.91</u>
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EXCESS OF INCOME OVER OUTGO . . . . .	\$ 9,568.36
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SURPLUS JANUARY 1, 1933 . . . . .	64,581.75
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	<u>\$74,150.11</u>
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Deduct:

Depreciation of Securities Unsold . . . . .	\$36,761.32
Dividends Paid . . . . .	9,000.00

	<u>45,761.32</u>
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SURPLUS DECEMBER 31, 1933 . . . . .	<u>\$28,388.79</u>
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## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1933

### RESOURCES

Bonds and Stocks (See Note) . . . . .	\$139,156.12
Cash in Banks . . . . .	17,727.43
Mortgage and other Loans Receivable . . . . .	167,726.43
Accounts Receivable . . . . .	39,569.93

	<u>\$364,179.91</u>
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### LIABILITIES

Capital Stock (6,000 shares Par Value \$50.00 per share) . . . . .	\$300,000.00
Surplus . . . . .	28,388.79
Contingency Reserve, representing difference between values carried in assets for bonds and stocks and their actual December 31, 1933 market value . . . . .	<u>35,791.12</u>

	<u>\$364,179.91</u>
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NOTE: Securities are valued on basis adopted by the National Convention of Insurance Commissioners, except certain items covering investment in affiliated companies, which are stated at cost. American Surety Company of New York owns all of the capital stock of the Company and carries the same at par.



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE		*FAIR MARKET VALUE
U. S. GOVERNMENT BONDS		
\$ 413,500	U. S. of America 4th Liberty Loan 4¼%, 1934-1938.....	\$ 397,039.88
265,500	U. S. of America Treasury Bonds 4¼% <del>0</del> -3¼%, 1945.....	254,262.43
20,000	U. S. of America Treasury Bonds 3¾%, 1943.....	20,287.50
40,000	U. S. of America Treasury Bonds 3%, 1955.....	39,000.00
<hr/>		<hr/>
\$ 739,000		\$ 710,589.81
STATE, U. S. POSSESSIONS AND CANADIAN BONDS		
\$ 20,000	City of Winnipeg, Dominion of Canada, Con. Deb. 5%, 1943.....	\$ 19,715.32
35,000	Dominion of Canada (Reg.) 4%, 1960.....	32,375.00
40,000	N. Y. State Canal Improvement (Reg.) 3%, 1956.....	41,200.00
50,000	N. Y. State Canal Improvement (Reg.) 3%, 1957.....	51,500.00
185,000	N. Y. State Canal Improvement (Reg.) 3%, 1958.....	189,922.55
15,000	N. Y. State Highway Improvement (Reg.) 3%, 1956.....	15,450.00
10,000	Porto Rico Irrigation Loan of 1915 Ser. "F" (Reg.) 4%, 1956.....	10,746.71
5,000	Porto Rico Public Improvement Ser. "A" 5%, 1945.....	5,340.39
10,000	Porto Rico Workmen's House Construction Ser. "B" 4½%, 1942.....	10,168.27
<hr/>		<hr/>
\$ 370,000		\$ 376,418.24
RAILROAD BONDS		
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. (Reg.) 4%, 1939.....	\$ 48,980.92
200,000	Baltimore & Ohio R. R. Co. Conv. 4½%, 1960.....	201,534.18
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge. Series "D" 5%, 2000.....	48,639.76
100,000	Canadian Northern Ry. (Winnipeg Terminals) (Reg.) 4%, 1939....	100,210.66
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	28,000.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	110,000.00
50,000	Chicago Union Station Co. 1st Mortgage Series "B" 5%, 1963.....	51,051.42
480,000	Chicago & North Western Ry. Co. Conv. 4¾%, 1949.....	259,200.00
48,000	Cleveland Union Term. Co. 1st Mtge. S. F. Series "A" 5½%, 1972..	49,064.18
50,000	Erie R. R. Co. Consolidated General Lien 4%, 1996.....	32,136.12
25,000	Erie & Jersey R. R. Co. 1st Mtge. S. F. 6%, 1955.....	27,027.74
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	22,499.77
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977 ..	110,000.00
50,000	Pennsylvania R. R. Co. Secured 5%, 1964.....	49,318.92
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	5,500.00

\*See note on Page 20.



PAR VALUE	RAILROAD BONDS—Continued	FAIR MARKET VALUE
\$ 200,000	Southern Pacific Co. (with warrants) 4½%, 1969.....	\$ 188,543.57
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956.....	39,093.77
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	25,519.40
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	48,947.78
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	5,000.00
<hr/> \$2,015,500		<hr/> \$1,450,268.19

### PUBLIC UTILITY BONDS

\$ 125,000	Brooklyn-Manhattan Transit Corp. Secured S. F. Series "A" 6%, 1968	\$ 100,818.20
25,000	Milwaukee Gas Light Co. 1st Mortgage 4½%, 1967.....	23,485.70
100,000	New York Gas & Elec. Lgt., Heat & Pwr. Co. 1st Mtge. 5%, 1948.	104,945.41
100,000	Western Union Telegraph Co. 5%, 1951.....	100,000.00
<hr/> \$ 350,000		<hr/> \$ 329,249.31

### MISCELLANEOUS BONDS

\$ 100,000	Abraham & Straus, Inc. Deb. 5½%, 1943.....	\$ 102,437.50
50,000	Allis Chalmers Manufacturing Co. Deb. 5%, 1937.....	49,757.96
200,000	American International Corp. Conv. Deb. 5½%, 1949.....	203,067.52
100,000	Armour & Co. of Delaware 1st Mtge. Guar. Series "A" 5½%, 1943	94,567.72
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	95,443.13
50,000	Chicago Pneumatic Tool Co. S. F. Deb. 5½%, 1942.....	32,500.00
100,000	Commercial Investment Trust Corp. Conv. Deb. 5½%, 1949.....	97,108.98
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1934	24,923.45
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1935	24,797.10
50,000	General Cable Corp. 1st Mtge. S. F. Series "A" 5½%, 1947.....	49,502.77
100,000	Pure Oil Co. S. F. Notes, 5½%, 1940.....	98,124.40
200,000	Texas Corporation Conv. S. F. Deb. 5%, 1944.....	197,223.04
5,000	Union Tank Car Co. Equipment Trust Cfs. 4½%, 1934.....	4,992.00
5,000	Union Tank Car Co. Equipment Trust Cfs. 4½%, 1935.....	4,983.39
5,000	Union Tank Car Co. Equipment Trust Cfs. 4½%, 1936.....	4,977.03
100,000	Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" 5%, 1978	100,713.05
<hr/> \$1,215,000		<hr/> \$1,185,119.04

## RAILROAD STOCKS

FAIR MARKET  
VALUE

3,000 Shares Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd.....	\$ 252,000.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	90,000.00
1,000 Shares Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd.....	42,000.00
1,000 Shares Chicago, Rock Island & Pacific Railway Co. \$6 Pfd. (Cum. to \$5)...	10,000.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co.....	84,000.00
3,000 Shares Erie R. R. Co. \$4 Non-Cum. First Pfd.....	75,000.00
2,000 Shares Hudson & Manhattan R. R. Co. Common.....	40,000.00
3,300 Shares New York Central R. R. Co.....	198,000.00
1,000 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Pfd.....	44,000.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	90,000.00
2,000 Shares Northern Pacific Railway Co. Common.....	64,000.00
5,625 Shares Pennsylvania R. R. Co.....	208,125.00
2,100 Shares Reading Co. Common.....	121,800.00
2,000 Shares St. Louis-San Francisco Railway Co. Common.....	8,000.00
2,000 Shares Southern Pacific Co. Common.....	72,000.00
4,000 Shares Southern Railway Co. \$5 Non-Cum. Pfd.....	164,000.00
7,000 Shares Southern Railway Co. Common.....	203,000.00
1,000 Shares Texas & Pacific Railway Co. Common.....	30,000.00

\$1,795,925.00

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..	\$ 30,000.00
2,000 Shares Brooklyn-Manhattan Transit Corp. \$6 Cum. Pfd. Series "A".....	162,000.00
834 Shares Commonwealth & Southern Corp. \$6 Cum. Pfd.....	46,704.00
4,000 Shares Consolidated Gas Co. of N. Y. \$5 Cum. Pfd.....	380,000.00
2,000 Shares Consolidated Gas Co. of N. Y. Common.....	136,000.00
1,000 Shares Duquesne Light Co. \$5 Cum. First Pfd.....	100,000.00
1,400 Shares Engineers Public Service Co. \$5 Conv. Pfd.....	44,800.00
1,000 Shares The United Corporation \$3 Cum. Pfce.....	39,000.00
1,000 Shares The United Corporation Common.....	12,000.00

\$ 950,504.00

## BANK STOCKS

7,032 Shares Chase National Bank of the City of N. Y. and the Chase Corp.....	\$ 281,280.00
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FAIR MARKET  
VALUE

MISCELLANEOUS STOCKS

1,000 Shares Allied Chemical & Dye Co. \$7 Cum. Pfd.	\$ 127,000.00
500 Shares American Ice Co. \$6 Non-Cum. Pfd.	26,000.00
1,000 Shares American Locomotive Co. \$7 Cum. Pfd.	57,000.00
1,000 Shares American Smelting & Refining Co. \$6 Cum. Second Pfd.	76,000.00
500 Shares American Sugar Refining Co. \$7 Cum. Pfd.	52,500.00
1,000 Shares E. I. du Pont de Nemours & Co. \$6 Cum. Non-Voting Deb.	117,000.00
2,700 Shares General Motors Corp. \$5 Cum. Pfd.	251,100.00
2,000 Shares Pullman, Inc.	82,000.00
3,000 Shares Tri-Continental Corp. \$6 Cum. Pfd.	219,000.00
2,500 Shares United States Steel Corp. Common	172,500.00

\$1,180,100.00

STOCKS OF SUBSIDIARY COMPANIES

6,000 Shares Amsuco Securities Company	\$ 300,000.00
4,242 Shares Canadian Surety Company	509,055.82
4,975 Shares Compania Mexicana de Garantias, S. A.	248,750.00
39,980 Shares New York Casualty Company	1,199,400.00

\$2,257,205.82

PAR VALUE

RECAPITULATION

\$ 739,000 U. S. Government Bonds	\$ 710,589.81
370,000 State, U. S. Possessions and Canadian Bonds	376,418.24
2,015,500 Railroad Bonds	1,450,268.19
350,000 Public Utility Bonds	329,249.31
1,215,000 Miscellaneous Bonds	1,185,119.04

\$4,689,500      Total of Bonds. . . . . \$4,051,644.59

Railroad Stocks	\$1,795,925.00
Public Utility Stocks	950,504.00
Bank Stocks	281,280.00
Miscellaneous Stocks	1,180,100.00
Stocks of Subsidiary Companies	2,257,205.82

Total of Stocks. . . . . \$6,465,014.82

GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK. . . . . \$10,516,659.41

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners, except that stocks of subsidiary companies are carried in each instance at less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	*FAIR MARKET VALUE
\$ 136,950	Various Mortgage Loans on Real Estate, N. Y., 1933 . . . . .	\$ 136,950.00
480,725	Various Mortgage Loans on Real Estate, N. Y., 1934 . . . . .	480,725.00
246,100	Various Mortgage Loans on Real Estate, N. Y., 1935 . . . . .	246,100.00
71,000	Various Mortgage Loans on Real Estate, N. Y., 1936 . . . . .	71,000.00
12,000	Various Mortgage Loans on Real Estate, N. Y., 1937 . . . . .	12,000.00
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\$ 946,775		\$ 946,775.00
U. S. GOVERNMENT BONDS		
\$ 257,000	U. S. of America 4th Liberty Loan 4¼%, 1934-38 . . . . .	\$ 257,000.00
170,000	U. S. of America Treasury Bonds (Reg.) 4¼%-3¼%, 1945 . . . . .	170,218.75
10,000	U. S. of America Treasury Bonds (Reg.) 3%, 1955 . . . . .	9,750.00
<hr/>		<hr/>
\$ 437,000		\$ 436,968.75
STATE BONDS		
\$ 80,000	New York State Canal Improvement (Reg.) 3%, 1957 . . . . .	\$ 82,400.00
10,000	New York State Canal Improvement (Reg.) 3%, 1958 . . . . .	10,300.00
10,000	New York State Canal Improvement (Reg.) 3%, 1959 . . . . .	10,300.00
100,000	New York State Highway Improvement (Reg.) 3%, 1956 . . . . .	84,285.17
<hr/>		<hr/>
\$ 200,000		\$ 187,285.17
RAILROAD BONDS		
\$ 50,000	Ann Arbor R. R. Co. 1st Mortgage 4%, 1995 . . . . .	\$ 37,062.88
20,000	Atlantic & Danville Ry. Co. 1st Mortgage 4%, 1948 . . . . .	16,745.50
50,000	Baltimore & Ohio R. R. Co., Toledo-Cincinnati Division, 1st Lien & Ref. Mortgage Series "A" 4%, 1959 . . . . .	43,620.45
50,000	Boston & Maine R. R. Co. 1st Mortgage 5%, 1955 . . . . .	51,157.61
20,000	Great Northern Ry. Co. Gen. Mortgage Series "C" 5%, 1973 . . . . .	18,889.65
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mortgage Series "A" 5%, 1957 . . . . .	27,647.57
20,000	Illinois Central R. R. Co. & Chicago, St. Louis & N. O. R. R. Co. Joint 1st Ref. Mortgage Series "A" 5%, 1963 . . . . .	18,989.78
40,000	Long Island R. R. Co. Ref. Mortgage Gtd. 4%, 1949 . . . . .	33,336.67
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Cons. Mortgage 4%, 1938	18,864.01
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946 . . . . .	9,800.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975 . . . . .	7,600.00

\*See Note on Page 24.



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	FAIR MARKET VALUE
\$ 50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	\$ 24,500.00
20,000	New York Central & H. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013.....	18,857.28
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	47,881.95
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	20,609.87
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	17,459.01
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	12,500.00
20,000	Southern Pacific Co. Central Pacific Stock Collateral 4%, 1949....	17,852.90
20,000	Virginian Ry. Co. 1st Mortgage Series "A" 5%, 1962.....	19,238.47
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	49,746.11
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946....	47,590.78
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	16,500.00
\$ 750,000		\$ 576,450.49

## PUBLIC UTILITY BONDS

\$ 20,000	Pacific Gas & Elec. Co. of Cal. Gen. & Ref. Mortgage 5%, 1942....	\$ 20,013.78
50,000	Standard Gas & Elec. Co. of Delaware Deb. Series "A" 6%, 1951..	50,469.15
50,000	Western Union Telegraph Co. 5%, 1951.....	51,192.71
\$ 120,000		\$ 121,675.64

## MISCELLANEOUS BONDS

\$ 50,000	Goodyear Tire & Rubber Co. 1st Mtge. Collateral Trust 5%, 1957..	\$ 47,760.22
136,800	One Fifth Avenue Corp. of N. Y. 1st Mortgage 5%, 1940.....	68,400.00
50,000	Phillips Petroleum Co. Deb. Sinking Fund 5¼%, 1939.....	47,688.38
\$ 236,800		\$ 163,848.60

## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 45,000.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	25,200.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	40,000.00
500 Shares	Chicago & North Western Railway Co. Common.....	7,000.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5)..	6,000.00
500 Shares	Great Northern Railway Co. \$4 Non-Cum. Pfd.....	16,000.00

## NEW YORK CASUALTY COMPANY—Continued

### RAILROAD STOCKS—Continued

	FAIR MARKET VALUE
500 Shares Illinois Central R. R. Co. Common.....	\$ 19,000.00
500 Shares Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	16,000.00
500 Shares Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd.....	5,000.00
650 Shares New York Central R. R. Co. Common.....	39,000.00
500 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Pfd.....	22,000.00
500 Shares Norfolk & Western Railway Co. Common.....	79,000.00
500 Shares Northern Pacific Railway Co. Common.....	16,000.00
600 Shares Pennsylvania R. R. Co.....	22,200.00
500 Shares St. Louis-San Francisco Railway Co. Common.....	2,000.00
500 Shares Southern Pacific Co. Common.....	18,000.00
500 Shares Southern Railway Co. Common.....	14,500.00
500 Shares Union Pacific Railway Co. Common.....	69,000.00
	<hr/> \$ 460,900.00

### PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. \$6 Cum. Pfd.....	\$ 18,000.00
500 Shares American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd....	39,000.00
1,100 Shares Consolidated Gas Co. of N. Y. Common.....	74,800.00
200 Shares Electric Bond & Share Co. \$5 Cum. Pfd.....	12,600.00
200 Shares Electric Power & Light Co. \$6 Cum. Pfd.....	4,000.00
500 Shares Electric Power & Light Co. Common.....	5,000.00
500 Shares Federal Light & Traction Co. \$6 Cum. Pfd.....	31,000.00
500 Shares North American Co. \$3 Cum. Pfd.....	23,000.00
500 Shares Standard Gas & Electric Co. \$4 Cum. Pfd.....	9,000.00
600 Shares United Gas Improvement Co. Common.....	13,800.00
	<hr/> \$ 230,200.00

### BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 11,060.00
500 Shares Chase National Bank of The City of N. Y. and The Chase Corp....	20,000.00
10 Shares First National Bank of the City of New York.....	21,800.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	20,200.00
65 Shares Guaranty Trust Co. of the City of New York.....	23,010.00
1,750 Shares Manhattan Co., New York, N. Y.....	77,000.00
1,750 Shares New York Title and Mortgage Corp.....	875.00
	<hr/> \$ 173,945.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

FAIR MARKET  
VALUE

500 Shares American Smelting & Refining Co., Common . . . . .	\$ 20,000.00
500 Shares Anaconda Copper Mining Co. . . . .	10,500.00
500 Shares Eastman Kodak Co., Common . . . . .	55,500.00
500 Shares Kennecott Copper Co. . . . .	10,500.00
500 Shares Pullman, Inc. . . . .	20,500.00
1,000 Shares Standard Oil Co. of New Jersey . . . . .	40,000.00
1,000 Shares Socony—Vacuum Corp. . . . .	15,000.00
	<hr/>
	\$ 172,000.00

## RECAPITULATION

\$ 946,775 Mortgage Loans . . . . .	\$ 946,775.00
	<hr/>
437,000 U. S. Government Bonds . . . . .	\$ 436,968.75
200,000 State Bonds . . . . .	187,285.17
750,000 Railroad Bonds . . . . .	576,450.49
120,000 Public Utility Bonds . . . . .	121,675.64
236,800 Miscellaneous Bonds . . . . .	163,848.60
	<hr/>
\$1,743,800 Total of Bonds . . . . .	\$1,486,228.65
	<hr/>
Railroad Stocks . . . . .	\$ 460,900.00
Public Utility Stocks . . . . .	230,200.00
Bank and Trust Company Stocks . . . . .	173,945.00
Miscellaneous Stocks . . . . .	172,000.00
	<hr/>
Total of Stocks . . . . .	\$1,037,045.00
	<hr/>
GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY . . . . .	\$3,470,048.65

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	*FAIR MARKET VALUE
\$ 25,000.00	Dominion of Canada Conversion Loan, 4½%, 1949/59 (5½% to 1934).	\$24,670.00
10,000.00	Dominion of Canada 1931 National Service Loan, 5%, 1941.	9,900.00
25,000.00	Canadian Natl. Ry. Gtd. by Dom. of Can., 5%, 1969 or earlier.	26,750.00
5,000.00	Canadian Natl. Ry. Gtd. by Dom. of Can., 4½%, 1956.	4,862.50
5,000.00	Canadian Natl. Ry. Equip. Tr. Ser. "K" Gtd. by Dom. of Can. 5%, 1939	5,100.00
15,000.00	Canadian Natl. Ry. Equip. Gtd. by Dom. of Can., 5%, 1935.	15,150.00
5,000.00	Province of Alberta, 4½%, 1956.	4,900.00
10,000.00	Province of New Brunswick, 5%, 1959.	10,500.00
10,000.00	Province of New Brunswick, 3%, 1939.	8,900.00
5,000.00	Province of Nova Scotia, 5%, 1960.	5,300.00
10,000.00	Province of Ontario, 6%, 1935.	10,500.00
25,000.00	Province of Ontario, 5%, 1959.	26,750.00
4,000.00	Province of Ontario, 4½%, 1944.	4,000.00
10,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 6%, 1941	11,100.00
25,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 4%, 1957	23,000.00
5,000.00	Province of Saskatchewan, 6%, 1936.	5,300.00
25,000.00	Kingdom of Norway External Loan, 5%, 1933/63.	25,250.00
\$219,000.00		\$221,932.50

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.	\$ 9,800.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.	2,060.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942.	960.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.	1,940.00
4,000.00	City of Brantford, Ontario, 5%, 1944.	4,040.00
973.33	City of Calgary, Alberta, 4½%, 1941.	944.13
2,433.32	City of Calgary, Alberta, 4½%, 1942.	2,335.99
2,433.33	City of Calgary, Alberta, 5%, 1943.	2,433.33
10,000.00	City of Edmonton, Alberta, 5½%, 1945.	10,500.00
2,000.00	City of Fort William, Ontario, 4½%, 1952.	1,900.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.	3,800.00
5,000.00	City of Galt, Ontario, 5%, 1937.	5,050.00
5,000.00	City of Galt, Ontario, 5½%, 1936.	5,150.00
5,000.00	City of Halifax, Nova Scotia, 5%, 1961.	5,150.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.	1,849.33

\*Values fixed by the Dominion Department of Insurance, Ottawa, Canada.



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$ 4,000.00	City of Hamilton, Ontario, 5%, 1938.....	\$ 4,040.00
6,000.00	City of Hamilton, Ontario, 5%, 1939.....	6,060.00
10,000.00	City of Kitchener, Ontario, 4½%, 1937.....	9,800.00
10,000.00	Montreal Metropolitan Commission, 5%, 1966.....	10,500.00
14,163.22	City of Niagara Falls, Ontario, 5½%, 1934 to 1938.....	12,038.74
10,000.00	City of North Bay, Ontario, 5%, 1938 to 1941.....	10,100.00
2,000.00	City of North Bay, Ontario, 5%, 1942-43.....	2,020.00
2,000.00	City of Oshawa, Ontario, 5½%, 1946.....	2,120.00
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	5,000.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,540.00
10,000.00	City of Peterborough, Ontario, 4¼%, 1939.....	9,600.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,030.00
2,000.00	City of Port Arthur, Ontario, 5%, 1937.....	2,000.00
7,000.00	Portage Industrial Exhibition Gtd. by City of Portage la Prairie, Manitoba, 5%, 1934.....	6,930.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	5,250.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951.....	1,785.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	4,750.00
4,000.00	City of St. Catharines, Ontario, 4%, 1935.....	3,880.00
5,000.00	City of Sarnia, Ontario, 6%, 1939.....	5,400.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	14,100.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,080.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952.....	5,775.00
5,000.00	City of Toronto, Ontario, 6%, 1935.....	5,250.00
15,000.00	City of Toronto, Ontario, 5%, 1945.....	15,600.00
50,000.00	City of Toronto, Ontario, 6%, 1945.....	56,500.00
14,000.00	City of Toronto, Ontario, 4½%, 1948.....	13,825.00
13,000.00	City of Toronto, Ontario, 5%, 1953.....	13,650.00
10,000.00	Toronto Harbor Commissioners Gtd. by City of Toronto, 4½%, 1953 or earlier.....	9,900.00
9,733.33	City of Victoria, British Columbia, 4%, 1936.....	9,344.00
15,000.00	City of Victoria, British Columbia, 5½%, 1941.....	15,900.00
1,000.00	City of Victoria, British Columbia, 5½%, 1941.....	1,060.00
1,000.00	City of Victoria, British Columbia, 5½%, 1945.....	1,070.00
2,000.00	City of Welland, Ontario, 4½%, 1939.....	1,940.00
1,703.33	City of Winnipeg, Manitoba, Reg'd Stock, 4½%, 1943/63.....	1,652.23

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	FAIR MARKET VALUE
\$ 9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946 to 1949....	\$ 7,473.15
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,280.00
3,000.00	Town of Collingwood, Ontario, Gtd. by County of Simcoe, Ontario, 5%, 1944.....	3,060.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943-44.....	6,060.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945.....	4,040.00
2,000.00	Town of Dundas, Ontario, 5%, 1948.....	2,020.00
8,000.00	Town of Dundas, Ontario, 5%, 1949.....	8,080.00
5,000.00	Town of Lindsay, Ontario, 5½%, 1934.....	5,100.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937 to 1941.....	1,877.23
6,000.00	Town of Sandwich, Ontario, 5½%, 1945.....	3,600.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940 to 1942.....	4,016.14
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	17,000.00
1,686.60	Town of Smith's Falls, Ontario, 5½%, 1934 to 1935.....	1,720.33
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	5,050.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3½%, 1937.....	3,250.00
1,703.67	Town of Watrous, Saskatchewan, 5½%, 1933 to 1956.....	1,448.12
2,000.00	Town of Welland, Ontario, 5½%, 1934.....	2,040.00
6,145.49	Town of Weston, Ontario, 5%, 1947.....	6,206.94
10,000.00	Township of Barton, Ontario, 5%, 1944.....	10,100.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49.....	6,930.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	4,550.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963.....	1,960.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959.....	6,510.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956.....	540.00
5,000.00	Township of Scarborough, Ontario, 5%, 1942.....	4,000.00
10,000.00	Township of Scarborough, Ontario, 5%, 1940.....	8,000.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960.....	5,950.00
5,000.00	Greater Winnipeg Water District, 6%, 1940.....	5,450.00
1,000.00	County of Carleton, Ontario, 6%, 1939.....	1,100.00
4,000.00	County of Carleton, Ontario, 6%, 1941-44.....	4,400.00
10,000.00	County of Essex, Ontario, 5½%, 1936.....	10,300.00
8,000.00	County of Haldimand, Ontario, 5%, 1934-37.....	8,080.00
11,000.00	United Counties of Lennox & Addington, 4½%, 1935-39.....	10,890.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942.....	7,420.00

\$524,357.29

\$518,904.66

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS	FAIR MARKET VALUE
\$ 1,000.00	Brandon, Manitoba, School District No. 129, 4%, 1936.....	\$ 950.00
5,000.00	City of Hamilton, Ont., Roman Catholic Separate School, 5%, 1949..	5,050.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943.....	6,790.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-52.....	6,720.00
1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953.....	1,120.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953 to 1960.....	9,518.59
5,000.00	Roman Catholic School, Toronto, 5%, 1945.....	5,100.00
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\$ 35,346.29		\$35,248.59

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp., Toronto, 5¼%, 1935.....	\$10,000.00
20,000.00	Canada Permanent Mortgage Corp., Toronto, 5%, 1935.....	20,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1935.....	30,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1935.....	25,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1934.....	20,000.00
10,000.00	Abitibi Power & Paper Co., Ltd., 1st Mtge. Ser. A, 5%, 1953 or earlier	6,000.00
10,000.00	British Columbia Tel. Co., Ltd., 1st Mtge. Series A, 5%, 1960.....	9,500.00
10,000.00	Canada Cement Co., Ltd., 1st Mtge. S. F. Ser. A., 5½%, 1947 or earlier	10,000.00
5,000.00	Canadian International Paper Co., 1st Mtge., 6%, 1949 or earlier....	3,250.00
5,000.00	Consolidated Paper Corp., Ltd., 1st Mtge (5½% after 1936) 1961....	1,500.00
25,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 5%, 1949 or earlier	24,000.00
35,000.00	Gatineau Power Co., 1st Mortgage S. F., 5%, 1956 or earlier.....	32,900.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mtge. S. F., 5½%, 1949 or earlier.....	7,500.00
20,000.00	Massey-Harris Co., Ltd., Toronto, S. F. Deb., 5%, 1947 or earlier....	18,600.00
5,000.00	Quebec Power Co., 1st Mtge. Coll. Tr. Ser. A, 5%, 1968 or earlier....	5,050.00
10,000.00	Simpson's, Ltd., 1st Mtge. Coll. Tr. Series A, 6%, 1949 or earlier....	10,100.00
5,000.00	United Gas & Fuel Co. of Hamilton, Ltd., 1st Mtge. S. F., 5½%, 1948	4,850.00
5,000.00	United Grain Growers, Ltd., 1st Mtge. S. F. Series A, 5%, 1948.....	4,350.00
5,000.00	West Kootenay Power & Light Co., Ltd., 1st Mtge. Series A, Gtd. by The Consolidated Mining & Smelting Co. of Canada, Ltd., 5%, 1956	4,850.00
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\$265,000.00		\$247,450.00



# THE CANADIAN SURETY COMPANY—Continued

STOCKS		FAIR MARKET VALUE
100 Shares International Milling Co. (Cumulative Sinking Fund First Preferred— par value \$100.00) 7%.....	\$ 9,800.00	
200 Shares Canadian General Electric Co., Ltd. (Cumulative Preferred—par value \$50.00) 7%.....	12,600.00	
200 Shares Canadian Pacific Railway Stock (Common—par value \$25.00).....	4,000.00	
50 Shares Consolidated Paper Corp., Ltd. (non assessable, no par value).....	no value	
		\$26,400.00

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	
\$ 5,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1935.....	\$ 5,000.00
15,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1934.....	15,000.00
10,000.00	National Trust Co., Ltd., Toronto, 5¼%, 1934.....	10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1935.....	5,000.00
25,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1934.....	25,000.00
5,000.00	Union Trust Company, Toronto, 5%, 1934.....	5,000.00
\$ 65,000.00		\$65,000.00

RECAPITULATION		
\$ 219,000.00	Government Bonds.....	\$ 221,932.50
524,357.29	Municipal Bonds.....	518,904.66
35,346.29	School Bonds.....	35,248.59
265,000.00	Miscellaneous Bonds.....	247,450.00
\$1,043,703.58	TOTAL OF BONDS.....	\$1,023,535.75
	Stocks.....	26,400.00
	Deposits with Trust Companies for Investment.....	65,000.00
	GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....	\$1,114,935.75

NOTE: Securities are stated at values fixed by the Dominion Department of Insurance, Ottawa, Canada.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	FAIR MARKET VALUE
\$10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	\$ 10,479.04
10,000	American Power & Light Company Deb. $6\%$ , 2016.....	9,934.26
20,000	American Telephone & Telegraph Company Deb. $5\%$ , 1965.....	19,949.88
10,000	Baltimore & Ohio Conv. $4\frac{1}{2}\%$ , 1960.....	10,000.00
15,000	Brooklyn-Manhattan Transit Corporation Rapid Transit Secured S. F. Series "A" $6\%$ , 1968.....	14,420.62
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" $5\%$ , 1975.....	18,999.92
20,000	Chicago & North Western Ry. Conv. Series "A" $4\frac{3}{4}\%$ , 1949.....	10,800.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. $4\frac{1}{2}\%$ , 1960.....	4,400.00
10,000	Erie R. R. Company Ref. & Imp. $5\%$ , 1967.....	9,787.18
88,000	Mexican Federal Government $5\%$ , Exterior 1945.....	5,280.00*
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" $5\%$ , 1955...	9,973.94
10,000	Ohio Edison 1st & Cons. $5\%$ , 1960.....	10,000.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A", $5\frac{1}{2}\%$ , 1952.....	10,126.76
10,000	St. Louis & San Francisco Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit)	2,800.00
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969.....	18,706.86
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" $5\%$ , 1977.....	9,947.31
10,000	Virginia & Southwestern Ry. Co. 1st Cons. $5\%$ , 1958.....	9,875.44
10,000	Wabash R. R. Company Ref. & Gen. Series "B" $5\%$ , 1976.....	1,000.00
P300,000	Mexican Federal Government $3\%$ , Interior Consol 1925.....	7,083.33*
1,100	Mexican Federal Government $5\%$ , Interior Debt.....	27.88*
106,800	United Shoe & Leather Company $5\%$ , 1941.....	14,833.33*
 STOCKS		
100	Shares American Superpower 1st Preferred.....	7,400.00
84	Shares Commonwealth & Southern Corporation Preferred.....	4,704.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	7,200.00
1	Share Mexico City Country Club.....	833.33*
200	Shares Banco Nac. Hipotecario Urbano y de Obras Públicas.....	5,555.56*
 TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		 \$234,118.64

NOTE: Bonds and stocks are valued on the basis adopted by the National Convention of Insurance Commissioners, except those marked \* which are stated at December 31, 1933, market prices.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	FAIR MARKET VALUE
\$10,000 Brooklyn-Manhattan Transit Corp., Series "A", 6%, 1968.....	\$ 9,667.04
50,000 New England Power Association Deb., 5%, 1948.....	49,899.08

## STOCKS

800 Shares Amnyco Printing & Supply Corporation.....	40,000.00*
66 Shares Canadian Surety Company.....	9,700.00*
100 Shares Engineers Public Service Co. Convertible Preferred.....	3,200.00
1,000 Shares International Paper & Power Co. Cumulative Preferred.....	17,000.00
600 Shares Lehigh Valley Coal Corporation Preferred.....	7,200.00
9 Shares Title Guaranty & Surety Company.....	90.00
200 Shares United Corporation Common.....	2,400.00
	<hr/>
	\$139,156.12

NOTE: Securities are valued on the basis adopted by the National Convention of Insurance Commissioners, except investment in affiliated companies, items marked \*, which are stated at cost.



REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* New York



FOR THE YEAR ENDED  
DECEMBER 31, 1934



## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*Vice-Chairman*

A. F. LAFRENTZ  
*President*

RICHARD DEMING  
*First Vice-President*

### *Vice-Presidents*

W. M. TOMLINS, JR.

D. H. COOK

E. F. WATSON

W. E. MCKELL

F. J. PARRY

G. L. NAUGHT

LEWIS H. PARRY

B. J. MCGINN

M. L. JENKS

L. S. MOORE

R. B. HAMILTON

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

S. C. HEMSTREET  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT

JOHN ANDERSON

A. J. BROSSÉAU

R. R. BROWN

NEWCOMB CARLTON

FANNIN W. CHARKE

RICHARD DEMING

W. N. DYKMAN

F. COIT JOHNSON

JOHN L. KEMMERER

F. M. KIRBY

F. W. LAFRENTZ

A. F. LAFRENTZ

JAMES T. LEE

EDWARD E. LOOMIS

L. F. LOREE

JEREMIAH T. MAHONEY

W. E. MCKELL

JEREMIAH MILBANK

JOHN M. MILLER, JR.

LINDSAY RUSSELL

WILLIAM SKINNER

MATTHEW S. SLOAN

FREDERICK P. SMALL

W. M. TOMLINS, JR.

ALBERT H. WIGGIN

BRONSON WINTHROP

# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1934	1933	Increase	Decrease
Real Estate. . . . .	\$10,000,000.00	\$10,000,000.00		
*Bonds. . . . .	3,736,943.58	4,051,644.59		\$ 314,701.01
*Stocks. . . . .	5,305,309.39	6,465,014.82		1,159,705.43
Premiums in Course of Col- lection (less estimated premiums due over ninety days). . . . .	1,654,733.21	1,768,548.80		113,815.59
Cash in Banks and Offices. .	1,283,840.40	818,789.27	\$465,051.13	
Reinsurance and Other Accounts Receivable. . . . .	155,927.02	111,465.84	44,461.18	
Accrued Interest Receivable	56,714.14	61,985.24		5,271.10
	<u>\$22,193,467.74</u>	<u>\$23,277,448.56</u>		<u>\$1,083,980.82</u>

## LIABILITIES

Capital Stock. . . . .	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits. . . . .	2,442,677.42	1,823,599.45	\$619,077.97	
*Contingency Reserve. . . . .		1,296,655.63		\$1,296,655.63
Reserve for Unearned Premiums. . . . .	5,748,992.50	5,779,620.30		30,627.80
Reserve for Reported Losses	3,512,932.04	4,275,301.85		762,369.81
Reserve for Unreported Losses. . . . .	1,500,000.00	1,455,000.00	45,000.00	
Reserve for Expenses and Taxes. . . . .	908,404.88	777,909.71	130,495.17	
Reserve for Depreciation— H. O. Building. . . . .	100,000.00		100,000.00	
Dividends Payable—Jan. 2, 1935. . . . .	150,000.00		150,000.00	
Reinsurance and Other Accounts Payable. . . . .	330,460.90	369,361.62		38,900.72
	<u>\$22,193,467.74</u>	<u>\$23,277,448.56</u>		<u>\$1,083,980.82</u>

\*In 1933 bonds and stocks were valued on the basis adopted by the National Convention of Insurance Commissioners, against which a Contingency Reserve was carried to reduce values shown for non-amortizable bonds, and stocks other than those of subsidiary companies, to market values. In 1934 all securities are carried at actual market values except stocks of subsidiary companies, which are carried at \$343,180.47 less than book value.

January 15, 1935.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1934, (in the fifty-first year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$12,169,184.63	(Increase \$278,857.14)
Less Reinsurance Ceded.....	3,103,847.15	(Increase 231,837.45)
Net Premiums Written.....	9,065,337.48	(Increase 47,019.69)
Decrease in Unearned Premium Reserve.....	30,627.80	(Decrease 71,164.57)
Earned Premiums.....	9,095,965.28	(Decrease 24,144.88)
From Home Office Building— Rents Less Operating Cost.....	597,105.26	(Decrease 24,293.04)
From Securities—Interest and Dividends.....	371,858.47	(Decrease 21,224.27)
TOTAL INCOME.....	<u>\$10,064,929.01</u>	(Decrease 69,662.19)
OUTGO:		
For Operating Expenses Paid.....	\$ 3,436,393.56	(Increase 44,195.38)
For Claim Expenses Paid.....	741,689.73	(Increase 88,610.90)
For Commissions Paid.....	1,491,384.06	(Decrease 19,562.74)
For Taxes Paid.....	232,611.45	(Decrease 262.56)
For Losses Incurred.....	\$3,888,772.19	(Decrease 1,041,611.59)
Less Cash Salvage.....	<u>1,090,078.15</u>	(Increase 61,672.34)
Net Losses Incurred.....	2,798,694.04	(Decrease 1,103,283.93)
TOTAL OUTGO.....	<u>\$ 8,700,772.84</u>	(Decrease 990,302.95)
EXCESS OF INCOME OVER OUTGO.....		<u>\$1,364,156.17</u>
(Increase of \$920,640.76)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 131,623.71	
Reserve for Depreciation of Building.....	100,000.00	\$ 231,623.71
DECREASE IN:		
Reserve for Overdue Premiums.....	130,000.00	
Reserve for Refunds.....	29,967.66	159,967.66
Agents' Balances Charged Off.....	71,656.05	
	<u>6,490.48</u>	<u>78,146.53</u>
Investment Income and Underwriting Profit Less Reserves (Carried forward) ..		1,286,009.64



Brought Forward . . . . .		\$1,286,009.64
Add:		
Profit on Sale of Securities . . . . .	\$13,782.11	
Plus Depreciation taken on same prior to January 1, 1934 . . . . .	2,823.09	16,605.20
		<u>\$1,302,614.84</u>
Deduct:		
Transfer to Special Reserve for Unreported Losses . . . . .	45,000.00	
Transfer to Reserve for Depreciation of Securities Unsold . . . . .	338,537.87	
Dividends paid and declared less dividends on fractional Scrip Certificates . . . . .	299,999.00	\$ 683,536.87
		<u>619,077.97</u>
Added to Surplus . . . . .		1,823,599.45
Surplus, January 1, 1934 . . . . .		<u>\$2,442,677.42</u>
Surplus, December 31, 1934 . . . . .		<u><u>\$2,442,677.42</u></u>

The salient features of the foregoing statement may be summarized as follows:

Notwithstanding further substantial curtailment of Depository Bond writings in accordance with our policy adopted subsequent to the Banking Holiday in March, 1933, Income from Premiums Written increased by \$278,857.14, or 2.3%, as compared with the preceding year.

Reinsurance Ceded was increased \$231,837.45, or 8.1%, of which \$98,122.45 represents increased Reinsurance ceded to our subsidiary companies.

The decrease in Net Income from the Company's Home Office Building of \$24,293.04 is accounted for by the decrease in Gross Rentals of \$19,493.04, an increase in Taxes of \$22,330.10 and a decrease in Operating Costs and Maintenance of \$16,938.68.

The decrease in Income from Securities is represented by a decline in Interest Receipts of \$16,735.31 and a decrease in Dividends Received of \$4,488.96.

The items contributing to the increase in Operating Expenses Paid of \$44,195.38 were advertising in connection with our Fiftieth Anniversary, an increase in insurance premiums and some slight adjustments in our payroll, together with increased cost of materials and supplies.

The settlement during the year of a large number of claims incurred in prior years resulted in an increase in Claim Expenses Paid of \$88,610.90, or 13.6%. The tendency for the future in this item should, however, be downward.

The most gratifying improvement appears in the decrease in Losses Incurred of \$1,041,611.59, or 21%, as compared with the preceding year and particularly so following a decrease of \$1,255,720.51 reported for the year 1933.

Salvage Collections of \$1,090,078.15 exceeded collections for the preceding year by \$61,672.34. There has been no change in our established policy of neither treating salvage property, of which there is always a substantial amount on hand, as a profit—nor carrying it as an asset until it is reduced to cash.

After setting aside \$100,000 for the Depreciation of the Building and providing for Federal Income Tax, the Net Profit from Underwriting, plus Investment Income amounted to \$1,286,009.64.

Deducting an additional \$45,000 for Unreported Losses, \$338,537.87 to write Securities down to actual market values and after payment of dividend, as well as making provision for dividend declared and payable January 2, 1935, there was added to Surplus and Undivided Profits, \$619,077.97.

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The Company's Real Estate, consisting of its Home Office Building, located at 100 Broadway, was appraised by the New York State Insurance Department at \$10,000,000 on June 5, 1933. At the present time it is 92% rented. During the current year \$100,000 was set aside for the Depreciation of the Building.

Investments in bonds and stocks valued at \$9,042,252.97 are stated at their market values as of December 31, 1934, with the exception of stocks of subsidiary Companies which are carried at \$343,180.47 less than their book value.

During the year the Company's holdings of United States Government and New York State bonds were increased by \$371,000.00.

On June 30, 1934, this Company contributed to the New York Casualty Company, \$179,910 representing \$4.50 per share on 39,980 shares of stock of that Company held by it, to enable that Company to write its securities down to actual market values and maintain its Capital and Surplus at approximately \$1,250,000.

Premiums in Course of Collection amount to \$1,882,571.23 from which is deducted an estimate to cover premiums due more than ninety days. Overdue premiums are not allowed as an asset by the New York State Insurance Department notwithstanding that the majority of such items are collectible. One of the outstanding accomplishments during 1934 was the substantial reduction in overdue premiums. It was estimated that these items would aggregate \$227,838.02. However, final reports from Branch Offices show that the actual figure as of December 31, 1934, was \$208,105.86, or 11%, of the total premiums in course of collection. This ratio of overdue premiums to total outstanding premiums is the lowest ever reported by the Company.

\$1,283,840.40 Cash in Banks and Offices reflects a very satisfactory cash position. This is an increase of \$465,051.13 as compared with December 31, 1933.

The Reserve for Unearned Premiums of \$5,748,992.50 is based on 50% of annual premiums and a pro rata basis for term premiums in force being in excess of the Insurance Department's requirements. Inasmuch as it is not permitted under the law to take credit for unearned premiums in connection with reinsurance ceded to companies not qualified in the State of New York, we carry duplicate reserves amounting to approximately \$200,000 with our subsidiary companies in Canada and Mexico.

The Reserve for Reported Losses of \$3,512,932.04 adequately covers all claims of which the Company has knowledge. Claims settled and withdrawn during the year resulted in reducing this liability \$762,369.81.

During the year an additional \$45,000 was transferred to Reserve for Unreported Losses, increasing that reserve to \$1,500,000. This reserve, which is in addition to the adequate reserves carried on all known claims, is substantially in excess of the Insurance Department's requirements and consequently represents an added buffer of safety.

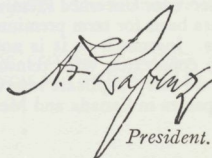
Embodied in this report are the Financial Statements and Revenue Accounts of subsidiary companies. The net earnings of these companies, before considering profit or loss on sale of securities and depreciation of securities unsold, aggregated \$86,654.92. Securities owned by these companies have been written down to actual market values as of December 31, 1934.

During the past several years, increase in the loss frequency and mounting loss costs have resulted in a gradual increase in premium rates. Notwithstanding the advancement in rates certain lines continued unprofitable. It was felt that the approach to the problem was along the lines of loss prevention. Our Company initiated a plan of loss prevention in connection with its Bank Burglary and Robbery risks which was augmented by a similar program in connection with Bankers' Blanket Bonds. With the splendid cooperation of the Company's bank clients, coupled with the excellent work of the Bureau of Investigation of the Department of Justice much has been accomplished and many thousands of dollars of loss has been avoided. The untiring energy and zeal which has been manifested by the Attorney General of the United States for the reduction of crime in this country and the success that has attended his efforts are bright spots in our country's progress during 1934.

Our Company completed Fifty Years of service in the insurance field on April 14, 1934, and it was particularly gratifying to the Members of this Board as well as to the Management that dividend payments could be resumed last July. Our fleet of companies, comprising American Surety Company of New York, New York Casualty Company, Canadian Surety Company and Compania Mexicana de Garantias, S. A., with years of experience in the writing of Fidelity and Surety bonds and Casualty insurance presents a continent-wide organization and agency representation for service to the public of which we can feel justly proud.

It is again my privilege to acknowledge the excellent service rendered by officers, employees and agents who have so loyally cooperated with the Management in working for the advancement of the Company's business and without whose co-ordinated efforts the satisfactory results reflected in this report could not have been achieved. I also wish to express my sincere appreciation for the continued aid and counsel of the Members of this Board.

Respectfully,



President.



## GENERAL INFORMATION

There were presented to us during 1934:

3,784 Fidelity Claims
521 Official Claims
756 Surety Claims
592 Burglary Claims
296 Forgery Claims
1,664 Plate Glass Claims
<u>10,763 Other Casualty Claims</u>

Making a total of 18,376 (An increase of 227 as compared with 1933).

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{	Year 1934 . . . . .	39.90
		Entire Period . . . . .	30.29
Burglary and Forgery Claims Paid to Net Premiums. . . . .	{	Year 1934 . . . . .	20.01
		Entire Period . . . . .	36.17
Plate Glass Claims Paid to Net Premiums . . . . .	{	Year 1934 . . . . .	43.65
		Entire Period . . . . .	32.98
Other Casualty Claims Paid to Net Premiums . . . . .	{	Year 1934 . . . . .	44.09
		Entire Period . . . . .	37.82

The Company has an agency organization consisting of 42 Branch and Service Offices on a salary basis, and 11,214 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$194,884,951.86
Its Net Paid Losses were.....	60,294,073.31
And Its Expenses were.....	117,542,773.40
Leaving an excess from underwriting, subject to Reserves, of.....	17,048,105.15
Which is equivalent to 8.75% of the Net Premium Income.	
Income from Investments.....	21,312,530.06
Our Stockholders have received in Cash Dividends.....	\$ 21,537,367.00

[ page seven ]



AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1934

RESOURCES

Real Estate . . . . .		\$10,310,194.98
Bonds, Stocks and Debentures (At Market Value) . . . . .		10,073,880.09
Premiums in Course of Collection . . . . .	\$2,459,197.35	
Less premiums due more than ninety days (estimated) . . . . .	275,109.87	2,184,087.48
Cash . . . . .		1,793,823.40
Mortgage and other Loans Receivable . . . . .		1,050,511.47
Reinsurance and other Accounts Receivable . . . . .		331,269.84
Accrued Interest Receivable . . . . .		104,148.09
		<hr/> \$25,847,915.35

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .	\$	7,500,000.00
Surplus and Undivided Profits . . . . .	\$2,786,436.32	
Legal Fund Provision—Mexico . . . . .	46,296.29	2,832,732.61
Voluntary Special Reserve—Canadian . . . . .		25,000.00
*Minority Interest in Subsidiary Companies . . . . .		110,456.78
Reserve for Unearned Premiums . . . . .		7,233,262.13
Reserve for Reported Losses . . . . .		4,741,055.40
Reserve for Unreported Losses . . . . .		1,650,000.00
Reserve for Expenses and Taxes . . . . .		1,124,517.59
Reserve for Depreciation—Home Office Building . . . . .		100,000.00
Reserve for Doubtful Accounts—Amsuco . . . . .		2,000.00
Dividends Payable January 2, 1935 . . . . .		150,000.00
Reinsurance and other Accounts Payable . . . . .		378,890.84
		<hr/> \$25,847,915.35

\*Minority Interest in Subsidiary Companies consists of:  
20 Shares New York Casualty Company Stock  
692 Shares Canadian Surety Company Stock  
25 Shares Compania Mexicana de Garantias, S. A. Stock

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1934

## RESOURCES

Real Estate . . . . .		\$10,000,000.00
(Home Office Premises, unencumbered, appraised by New York Insurance Department June 5, 1933)		
*Securities (At Market Value):		
Bonds . . . . .	\$3,736,943.58	
Preferred Stocks . . . . .	1,973,987.00	
Common Stocks . . . . .	3,331,322.39	9,042,252.97
Premiums in Course of Collection . . . . .	1,882,571.23	
Less Premiums due more than ninety days (Estimated) . . . . .	227,838.02	1,654,733.21
Cash in Banks and Offices . . . . .		1,283,840.40
Reinsurance and Other Accounts Receivable . . . . .		155,927.02
Accrued Interest Receivable . . . . .		56,714.14
		<u>\$22,193,467.74</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .	\$ 7,500,000.00
Surplus and Undivided Profits . . . . .	2,442,677.42
Reserve for Unearned Premiums . . . . .	5,748,992.50
Reserve for Reported Losses . . . . .	3,512,932.04
Reserve for Unreported Losses . . . . .	1,500,000.00
Reserve for Expenses and Taxes . . . . .	908,404.88
Reserve for Depreciation—Home Office Building . . . . .	100,000.00
Dividends Payable—January 2, 1935 . . . . .	150,000.00
Reinsurance and Other Accounts Payable . . . . .	330,460.90
	<u>\$22,193,467.74</u>

\*Except Stocks of Subsidiary Companies, which are carried at \$343,180.47 less than their book value.

The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

review show:		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$2,604,330.41	(Increase \$ 32,129.76)	
Less Reinsurance Ceded.....	345,953.15	(Increase 7,616.56)	
Net Premiums Written.....	2,258,377.26	(Increase 24,513.20)	
Decrease in Unearned Premium Reserve.....	22,561.62	(Decrease 77,609.45)	
Earned Premiums.....	2,280,938.88	(Decrease 53,096.25)	
From Rents, less Operating Costs.....	728.02	(Increase 728.02)	
From Securities—Interest and Dividends.....	124,974.15	(Decrease 27,081.37)	
TOTAL INCOME.....	<u>\$2,406,641.05</u>	(Decrease 79,449.60)	
OUTGO:			
For Operating Expenses Paid.....	\$ 498,961.95	(Decrease 12,792.11)	
For Claim Expenses Paid.....	243,495.41	(Decrease 16,477.86)	
For Commissions Paid.....	515,881.32	(Decrease 32,569.32)	
For Taxes Paid.....	57,143.02	(Decrease 7,214.17)	
For Losses Incurred.....	\$1,165,791.58	(Decrease 49,344.31)	
Less Cash Salvage.....	74,183.00	(Increase 13,468.86)	
Net Losses Incurred.....	1,091,608.58	(Decrease 62,813.17)	
TOTAL OUTGO.....	<u>\$2,407,090.28</u>	(Decrease 131,866.63)	
EXCESS OF OUTGO OVER INCOME.....		\$ 449.23	
(Decrease of \$52,417.03)			
DECREASE IN:			
Reserve for Overdue Premiums.....	\$15,000.00		
INCREASE IN:			
Reserve for Expenses and Taxes.....	5,544.65	\$ 9,455.35	
Agents' Balances Charged Off.....	12,493.50		3,038.15
Underwriting Loss less Investment Income.....			3,487.38
Add:			
Loss on Sale of Investments.....	74,265.96		
Less Depreciation taken on same prior to January 1, 1934.....	67,077.98	7,187.98	
Transfer to Special Reserve for Unreported Losses....		25,000.00	
Transfer to Reserve for Depreciation of Securities Unsold.....		114,001.95	146,189.93
			149,677.31
Deduct:			
Contribution to Surplus Account by Stockholders.....			179,910.00
Added to Surplus.....			30,232.69
Surplus January 1, 1934.....			204,882.04
Surplus December 31, 1934.....			<u>\$235,114.73</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1934

## RESOURCES

Real Estate and Improvements . . . . .	\$ 111,087.15	
Real Estate Mortgages . . . . .		796,250.00
Securities (At Market Value):		
Bonds . . . . .	\$1,250,592.67	
Stocks . . . . .	702,497.50	1,953,090.17
Premiums in Course of Collection . . . . .	501,170.14	
Less Premiums due more than ninety days (Estimated) . . . . .	38,884.30	462,285.84
Cash in Banks and Offices . . . . .		257,153.90
Reinsurance and Other Accounts Receivable . . . . .		61,245.55
Accrued Interest Receivable . . . . .		25,115.46
		<u>\$3,666,228.07</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share) . . . . .	\$1,000,000.00
Surplus and Undivided Profits . . . . .	235,114.73
Reserve for Unearned Premiums . . . . .	1,127,165.98
Reserve for Reported Losses . . . . .	931,250.45
Reserve for Unreported Losses . . . . .	150,000.00
Reserve for Expenses and Taxes . . . . .	192,982.07
Reinsurance and Other Accounts Payable . . . . .	29,714.84
	<u>\$3,666,228.07</u>

American Surety Company of New York owns 39,980 of the 40,000 shares of capital stock of this Company, and carries the same at \$31.00 per share.



The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

INCOME:

		Comparison with Preceding Year
From Premiums Written . . . . .	\$556,714.63	(Increase \$18,737.11)
Less Reinsurance Ceded . . . . .	89,296.76	(Increase 251.89)
Net Premiums Written . . . . .	467,417.87	(Increase 18,485.22)
Increase in Unearned Premium Reserve . . . . .	775.75	(Increase 17,622.78)
Earned Premiums . . . . .	466,642.12	(Increase 862.44)
From Securities—Interest and Dividends . . . . .	53,924.15	(Decrease 1,407.47)
TOTAL INCOME . . . . .	<u>\$520,566.27</u>	(Decrease 545.03)

OUTGO:

For Operating Expenses Paid . . . . .	\$167,375.34	(Decrease 1,417.25)
For Claim Expenses Paid . . . . .	36,760.26	(Increase 7,204.37)
For Commissions Paid . . . . .	105,242.08	(Increase 2,541.63)
For Taxes Paid . . . . .	16,107.73	(Increase 1,961.32)
For Losses Incurred . . . . .	\$222,745.24	(Increase 15,671.11)
Less Cash Salvage . . . . .	43,356.15	(Increase 4,162.13)
Net Losses Incurred . . . . .	179,389.09	(Increase 11,508.98)
TOTAL OUTGO . . . . .	<u>\$504,874.50</u>	(Increase 21,799.05)

EXCESS OF INCOME OVER OUTGO . . . . . \$ 15,691.77  
(Decrease of \$22,344.08)

DECREASE IN:

Reserve for Overdue Premiums . . . . .	\$ 8,028.24	
Reserve for Expenses and Taxes . . . . .	159.92	\$ 8,188.16

Agents' Balances Charged Off . . . . . 3,224.49 4,963.67

Investment Income less Underwriting Loss . . . . . 20,655.44

Add:

Profit on Sale of Securities . . . . .	152.67	
Transfer from Voluntary Special Reserve . . . . .	5,000.00	5,152.67

Deduct:

Transfer to Reserve for Depreciation of Securities Unsold	17,553.22	25,808.11
Dividends Paid . . . . .	7,500.00	25,053.22

Added to Surplus . . . . . 754.89  
Surplus January 1, 1934 . . . . . 277,914.44

Surplus December 31, 1934 . . . . . \$278,669.33

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1934

## RESOURCES

Bonds, Stocks and Debentures (At Market Value).....		\$1,094,576.33
Premiums in Course of Collection.....	\$61,286.54	
Less Premiums due more than ninety days.....	8,387.55	52,898.99
Cash in Banks and Offices.....		59,364.43
Reinsurance Receivable.....		50,794.60
Accrued Interest Receivable.....		14,895.26
		<hr/>
		\$1,272,529.61

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share).....	\$ 500,000.00
Surplus and Undivided Profits.....	278,669.33
Voluntary Special Reserve.....	25,000.00
Reserve for Unearned Premiums.....	226,517.49
Reserve for Reported Losses.....	205,225.32
Reserve for Expenses and Taxes.....	21,184.88
Reinsurance Payable.....	15,932.59
	<hr/>
	\$1,272,529.61

American Surety Company of New York owns 4,242 of the 5,000 shares of capital stock of this Company, and carries the same at \$120.00 per share.

The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$392,817.30	(Increase \$57,428.18)
Less Reinsurance Ceded.....	94,148.97	(Increase 18,156.51)
Net Premiums Written.....	298,668.33	(Increase 39,271.67)
Increase in Unearned Premium Reserve.....	8,621.83	(Increase 9,960.35)
Earned Premiums.....	290,046.50	(Increase 29,311.32)
From Building—Rents Less Operating Cost.....	10,983.78	(Decrease 940.53)
From Securities—Interest and Dividends.....	32,522.24	(Decrease 727.27)
TOTAL INCOME.....	\$333,552.52	(Increase 27,643.52)
OUTGO:		
For Expenses and Taxes Paid.....	\$ 93,313.43	(Increase 1,556.62)
For Commissions Paid.....	30,128.90	(Increase 521.03)
For Losses Incurred.....	\$129,020.02	(Decrease 6,133.92)
Less Cash Salvage.....	36,359.10	(Decrease 1,345.01)
Net Losses Incurred.....	92,660.92	(Decrease 4,788.91)
TOTAL OUTGO.....	\$216,103.25	(Decrease 2,711.26)
EXCESS OF INCOME OVER OUTGO.....		\$117,449.27
(Increase of \$30,354.78)		
Deduct:		
Loss on Exchange.....	\$ 32.94	
Transfer to Reserve for Depreciation of Securities Unsold.....	29,591.20	
Transfer to Legal Fund Provision.....	8,333.33	
Dividends Paid.....	20,000.00	
Difference in Converting Pesos at Current Rate of Exchange.....	32,932.11	90,889.58
Added to Surplus.....		26,559.69
Surplus January 1, 1934.....		137,716.32
Surplus December 31, 1934.....		\$164,276.01

(Converted into United States Currency in the ratio of Two Pesos Mexican, to One Dollar United States. The loss in converting the Silver items appearing in the Financial Statement at the current rate of exchange of Three and Three-Fifths Pesos Mexican, to One Dollar United States, as of December 31, 1934, is reflected in the item "Difference in Converting Pesos at Current Rate of Exchange.")

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1934

(Converted into United States Currency, in the ratio of 3.60 Pesos Mexican, to One Dollar United States, for Silver items and in the ratio of Two Pesos Mexican, to One Dollar United States, for Gold items)

RESOURCES

Real Estate—Unencumbered.....	\$199,107.83
Bonds and Stocks (At Market Value).....	182,831.44
Premiums in Course of Collection.....	14,169.44
Cash in Banks and Office.....	103,257.41
Cash Deposits under Law.....	49,068.44
Mortgage Loans.....	100,640.58
Reinsurance and other Accounts Receivable.....	31,035.95
Accrued Interest Receivable.....	7,423.23
	<hr/>
	\$687,534.32

LIABILITIES

Capital Stock (5,000 Shares. Par Value \$50.00 per Share).....	\$250,000.00
Surplus and Undivided Profits.....	\$164,276.01
Legal Fund Provision.....	46,296.29
	<hr/>
Reserve for Unearned Premiums.....	130,586.16
Reserve for Reported Losses.....	91,647.59
Reserve for Expenses and Taxes.....	1,945.76
Reinsurance and other Accounts Payable.....	2,782.51
	<hr/>
	\$687,534.32

American Surety Company of New York owns 4,975 of the 5,000 shares of capital stock of this Company and carries the same at par.



The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . . \$ 14,019.09

TOTAL INCOME . . . . . \$ 14,019.09

OUTGO:

For Expenses Paid . . . . . 420.75

For Taxes Paid . . . . . 2,595.70

TOTAL OUTGO . . . . . \$ 3,016.45

EXCESS OF INCOME OVER OUTGO . . . . . \$ 11,002.64

Add:

Appreciation during 1934 in value of Investments . . . . . 4,650.00

15,652.64

Deduct:

Provision for Doubtful Accounts . . . . . \$2,000.00

Dividends Paid . . . . . 9,000.00 11,000.00

Added to Surplus . . . . . 4,652.64

Surplus January 1, 1934 . . . . . 28,388.79

Surplus December 31, 1934 . . . . . \$ 33,041.43

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1934

### RESOURCES

\*Bonds and Stocks (At Market Value) . . . . . \$108,015.00

Cash in Banks . . . . . 41,138.82

Mortgage and other Loans Receivable . . . . . 153,620.89

Accounts Receivable . . . . . 32,266.72

\$335,041.43

### LIABILITIES

Capital Stock (6,000 Shares. Par Value \$50.00 per Share) . . . . . \$300,000.00

Surplus . . . . . 33,041.43

Reserve for Doubtful Accounts . . . . . 2,000.00

\$335,041.43

\*Except certain items covering investment in affiliated companies, which are stated at cost. American Surety Company of New York owns all of the capital stock of the Company and carries the same at par.

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE		MARKET VALUE
U. S. GOVERNMENT BONDS		
\$ 275,000	U. S. of America 4th Liberty Loan 4 $\frac{1}{4}$ %, 1935-1938.....	\$ 282,142.49
269,000	U. S. of America Treasury Bonds 3 $\frac{1}{4}$ %, 1945.....	276,733.75
79,000	U. S. of America Treasury Bonds 3 $\frac{1}{4}$ %, 1946.....	81,252.50
20,000	U. S. of America Treasury Bonds 3 $\frac{3}{8}$ %, 1943.....	20,868.75
75,000	U. S. of America Treasury Bonds 3 $\frac{1}{8}$ %, 1952.....	76,195.31
40,000	U. S. of America Treasury Bonds 3%, 1955.....	40,350.00
25,000	U. S. of America Treasury Bonds 3%, 1948.....	25,210.94
59,500	U. S. of America Treasury Notes, Ser. "D" 2 $\frac{1}{2}$ %, 1938.....	61,099.06
257,500	U. S. of America Treasury Notes, Ser. "A" 2 $\frac{1}{8}$ %, 1939.....	260,638.28
<hr/>		<hr/>
\$1,100,000		\$1,124,491.08
STATE, U. S. POSSESSIONS AND CANADIAN BONDS		
\$ 20,000	City of Winnipeg, Dominion of Canada, Con. Deb., 5%, 1943.....	\$ 20,300.00
20,000	Dominion of Canada, 3 $\frac{1}{2}$ %, 1949.....	20,700.00
40,000	N. Y. State Canal Improvement 3%, 1956.....	44,000.00
55,000	N. Y. State Canal Improvement 3%, 1957.....	60,500.00
185,000	N. Y. State Canal Improvement 3%, 1958.....	203,500.00
5,000	N. Y. State Canal Improvement 3%, 1959.....	5,500.00
15,000	N. Y. State Highway Improvement 3%, 1956.....	16,500.00
10,000	Porto Rico Irrigation Loan of 1915 Ser. "F" 4%, 1956.....	9,900.00
5,000	Porto Rico Public Improvement Ser. "A" 5%, 1945.....	5,300.00
10,000	Porto Rico Workingmen's House Construction Ser. "B" 4 $\frac{1}{2}$ %, 1942.....	10,225.00
50,000	Province of Alberta, Canada 4%, 1957.....	47,875.00
50,000	Province of Manitoba, Canada 4%, 1957.....	48,000.00
<hr/>		<hr/>
\$ 465,000		\$ 492,300.00
RAILROAD BONDS		
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. 4%, 1939.....	\$ 43,000.00
200,000	Baltimore & Ohio R. R. Co. Conv. 4 $\frac{1}{2}$ %, 1960.....	115,000.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge. Series "D" 5%, 2000.....	36,000.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934.....	8,125.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4 $\frac{1}{2}$ %, 1960.....	16,875.00
480,000	Chicago & North Western Ry. Co. Conv. 4 $\frac{3}{4}$ %, 1949.....	100,800.00
48,000	Cleveland Union Term. Co. 1st Mtge. S. F. Series "A" 5 $\frac{1}{2}$ %, 1972.....	48,840.00
50,000	Erie R. R. Co. Consolidated General Lien 4%, 1996.....	39,125.00

PAR VALUE	RAILROAD BONDS—Continued	MARKET VALUE
\$ 25,000	Erie & Jersey R. R. Co. 1st Mtge. S. F. 6%, 1955.....	\$ 28,562.50
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950.....	18,000.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977...	51,500.00
50,000	Pennsylvania R. R. Co. Secured 5%, 1964.....	53,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	4,750.00
200,000	Southern Pacific Co. (with warrants) 4½%, 1969.....	131,000.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	30,125.00
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	23,125.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	36,750.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	9,375.00
\$1,865,500		\$ 793,952.50

#### PUBLIC UTILITY BONDS

\$ 125,000	Brooklyn-Manhattan Transit Corp. Secured S. F. Series "A" 6%, 1968..	\$ 130,937.50
25,000	Milwaukee Gas Light Co. 1st Mortgage 4½%, 1967.....	26,937.50
100,000	Western Union Telegraph Co. 5%, 1951.....	87,500.00
\$ 250,000		\$ 245,375.00

#### MISCELLANEOUS BONDS

\$ 57,000	Abraham & Straus, Inc. Deb. 5½%, 1943.....	\$ 59,137.50
50,000	Allis Chalmers Manufacturing Co. Deb. 5%, 1937.....	50,250.00
200,000	American International Corp. Conv. Deb. 5½%, 1949.....	172,000.00
100,000	Armour & Co. of Delaware 1st Mtge. Guar. Series "A" 5½%, 1943	103,375.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	71,750.00
50,000	Chicago Pneumatic Tool Co. S. F. Deb. 5½%, 1942.....	44,000.00
100,000	Commercial Investment Trust Corp. Conv. Deb. 5½%, 1949.....	110,625.00
25,000	General American Tank Car Corp. Equip. Trust Ser. "19" 4½%, 1935	25,250.00
50,000	General Cable Corp. 1st Mtge. S. F. Series "A" 5½%, 1947.....	43,687.50
100,000	Pure Oil Co. S. F. Notes, 5½%, 1940.....	100,000.00
200,000	Texas Corporation Conv. S. F. Deb. 5%, 1944.....	206,500.00
100,000	Youngstown Sheet & Tube Co. 1st Mtge. S. F. Series "A" 5%, 1978	94,250.00
\$1,132,000		\$1,080,825.00



## RAILROAD STOCKS

MARKET  
VALUE

3,000 Shares Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd. ....	\$ 256,500.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common. ....	53,750.00
1,000 Shares Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd. ....	16,625.00
1,000 Shares Chicago, Rock Island & Pacific Railway Co. \$6 Pfd. (Cum. to \$5) ..	2,750.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co. ....	36,250.00
3,000 Shares Erie R. R. Co. \$4 Non-Cum. First Pfd. ....	46,500.00
2,000 Shares Hudson & Manhattan R. R. Co. Common. ....	9,000.00
3,300 Shares New York Central R. R. Co. ....	66,825.00
1,000 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Pfd. ....	12,625.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common. ....	15,000.00
2,000 Shares Northern Pacific Railway Co. Common. ....	41,250.00
5,625 Shares Pennsylvania R. R. Co. ....	137,109.37
2,100 Shares Reading Co. Common. ....	87,675.00
2,000 Shares St. Louis-San Francisco Railway Co. Common. ....	2,500.00
2,000 Shares Southern Pacific Co. Common. ....	36,000.00
4,000 Shares Southern Railway Co. \$5 Non-Cum. Pfd. ....	76,000.00
7,000 Shares Southern Railway Co. Common. ....	109,375.00
1,000 Shares Texas & Pacific Railway Co. Common. ....	21,250.00

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\$1,026,984.37

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped. .	\$ 11,625.00
2,000 Shares Brooklyn-Manhattan Transit Corp. \$6 Cum. Pfd. Series "A" . . . .	180,500.00
834 Shares Commonwealth & Southern Corp. \$6 Cum. Pfd. ....	25,437.00
4,000 Shares Consolidated Gas Co. of N. Y. \$5 Cum. Pfd. ....	320,000.00
2,000 Shares Consolidated Gas Co. of N. Y. Common. ....	40,500.00
1,000 Shares Duquesne Light Co. \$5 Cum. First Pfd. ....	104,500.00
1,400 Shares Engineers Public Service Co. \$5 Conv. Pfd. ....	19,600.00
1,000 Shares The United Corporation \$3 Cum. Pfce. ....	24,375.00
1,000 Shares The United Corporation Common. ....	2,875.00

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\$ 729,412.00

## BANK STOCKS

7,032 Shares Chase National Bank of the City of New York. ....	\$ 174,042.00
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MARKET  
VALUE

MISCELLANEOUS STOCKS

703.2 Shares Amerex Holding Corp. ....	\$ 7,735.20
500 Shares American Ice Co. \$6 Non-Cum. Pfd. ....	14,250.00
1,000 Shares American Locomotive Co. \$7 Cum. Pfd. ....	52,500.00
1,000 Shares American Smelting & Refining Co. \$6 Cum. Second Pfd. ....	109,500.00
500 Shares American Sugar Refining Co. \$7 Cum. Pfd. ....	63,250.00
1,000 Shares E. I. du Pont de Nemours & Co. \$6 Cum. Non-Voting Deb. ....	128,500.00
2,700 Shares General Motors Corp. \$5 Cum. Pfd. ....	292,950.00
2,000 Shares Pullman, Inc. ....	95,500.00
3,000 Shares Tri-Continental Corp. \$6 Cum. Pfd. ....	216,000.00
2,500 Shares United States Steel Corp. Common. ....	97,500.00

\$1,077,685.20

STOCKS OF SUBSIDIARY COMPANIES

6,000 Shares Amsuco Securities Company. ....	\$ 300,000.00
4,242 Shares Canadian Surety Company. ....	509,055.82
4,975 Shares Compania Mexicana de Garantias, S. A. ....	248,750.00
39,980 Shares New York Casualty Company. ....	\$1,239,380.00

\$2,297,185.82

PAR VALUE

RECAPITULATION

\$1,100,000 U. S. Government Bonds. ....	\$1,124,491.08
465,000 State, U. S. Possessions and Canadian Bonds. ....	492,300.00
1,865,500 Railroad Bonds. ....	793,952.50
250,000 Public Utility Bonds. ....	245,375.00
1,132,000 Miscellaneous Bonds. ....	1,080,825.00

\$4,812,500 Total of Bonds. .... \$3,736,943.58

Railroad Stocks. .... \$1,026,984.37

Public Utility Stocks. .... 729,412.00

Bank Stocks. .... 174,042.00

Miscellaneous Stocks. .... 1,077,685.20

Stocks of Subsidiary Companies. .... 2,297,185.82

Total of Stocks. .... \$5,305,309.39

GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK. .... \$9,042,252.97

NOTE: Securities are valued at actual market value as of December 31, 1934, except stocks of subsidiary companies, which are carried at \$343,180.47 less than book value.

# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	MARKET VALUE
\$ 287,150	Various Mortgage Loans on Real Estate, N. Y., 1934.....	\$ 287,150.00
256,700	Various Mortgage Loans on Real Estate, N. Y., 1935.....	256,700.00
71,000	Various Mortgage Loans on Real Estate, N. Y., 1936.....	71,000.00
142,400	Various Mortgage Loans on Real Estate, N. Y., 1937.....	142,400.00
39,000	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1941.....	39,000.00
\$ 796,250		\$ 796,250.00
	U. S. GOVERNMENT BONDS	
\$ 167,000	U. S. of America 4th Liberty Loan $4\frac{1}{4}\%$ , 1935-1938.....	\$ 171,539.05
10,000	U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1946.....	10,290.62
170,000	U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1945.....	174,893.75
10,000	U. S. of America Treasury Bonds 3%, 1955.....	10,875.00
30,000	U. S. of America Treasury Notes, Ser. "D" $2\frac{1}{2}\%$ , 1938.....	30,806.25
14,800	Home Owners' Loan Corp. of U. S. A. 3%, 1952.....	14,763.00
\$ 401,800		\$ 413,167.67
	STATE BONDS	
\$ 80,000	New York State Canal Improvement 3%, 1957.....	\$ 88,000.00
10,000	New York State Canal Improvement 3%, 1958.....	11,000.00
60,000	New York State Canal Improvement 3%, 1959.....	66,000.00
100,000	New York State Highway Improvement 3%, 1956.....	110,000.00
\$ 250,000		\$ 275,000.00
	RAILROAD BONDS	
\$ 50,000	Ann Arbor R. R. Co. 1st Mortgage 4%, 1995.....	\$ 27,187.50
20,000	Atlantic & Danville Ry. Co. 1st Mortgage 4%, 1948.....	7,425.00
50,000	Baltimore & Ohio R. R. Co., Toledo-Cincinnati Division, 1st Lien & Ref. Mortgage Series "A" 4%, 1959.....	41,250.00
50,000	Boston & Maine R. R. Co. 1st Mortgage 5%, 1955.....	37,000.00
20,000	Great Northern Ry. Co. Gen. Mortgage Series "C" 5%, 1973.....	16,500.00
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mortgage Series "A" 5%, 1957.....	25,987.50
20,000	Illinois Central R. R. Co. & Chicago, St. Louis & N. O. R. R. Co. Joint 1st Ref. Mortgage Series "A" 5%, 1963.....	15,275.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Cons. Mortgage 4%, 1938	6,050.00

# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	MARKET VALUE
\$ 20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	\$ 3,700.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	2,000.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	13,000.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013..	13,200.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	37,250.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	18,000.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	17,075.00
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	8,312.50
20,000	Southern Pacific Co. Central Pacific Stock Collateral 4%, 1949.....	14,000.00
20,000	Virginian Ry. Co. 1st Mortgage Series "A" 5%, 1962.....	22,400.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	46,500.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	17,000.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	6,312.50

\$ 710,000		\$ 395,425.00
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## PUBLIC UTILITY BONDS

\$ 50,000	Standard Gas & Elec. Co. of Delaware Deb. Series "A" 6%, 1951..	\$ 19,750.00
50,000	Western Union Telegraph Co. 5%, 1951.....	43,750.00

\$ 100,000		\$ 63,500.00
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## MISCELLANEOUS BONDS

\$ 50,000	Goodyear Tire & Rubber Co. 1st Mtge. Collateral Trust 5%, 1957..	\$ 52,500.00
50,000	Phillips Petroleum Co. Deb. Sinking Fund 5¼%, 1939.....	51,000.00

\$ 100,000		\$ 103,500.00
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## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 26,875.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	8,400.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	23,000.00
500 Shares	Chicago & North Western Railway Co. Common.....	2,437.50
500 Shares	Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5)..	1,562.50
500 Shares	Great Northern Railway Co. \$4 Non-Cum. Pfd.....	8,500.00



# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

	MARKET VALUE
500 Shares Illinois Central R. R. Co. Common.....	\$ 8,187.50
500 Shares Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	6,625.00
500 Shares Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd.....	1,437.50
650 Shares New York Central R. R. Co. Common.....	13,162.50
500 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Pfd.....	6,312.50
500 Shares Norfolk & Western Railway Co. Common.....	84,500.00
500 Shares Northern Pacific Railway Co. Common.....	10,312.50
600 Shares Pennsylvania R. R. Co.....	14,625.00
500 Shares St. Louis-San Francisco Railway Co. Common.....	625.00
500 Shares Southern Pacific Co. Common.....	9,000.00
500 Shares Southern Railway Co. Common.....	7,812.50
500 Shares Union Pacific Railway Co. Common.....	53,937.50
	<hr/>
	\$ 287,312.50

## PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. \$6 Cum. Pfd.....	\$ 16,800.00
500 Shares American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd....	30,000.00
1,100 Shares Consolidated Gas Co. of N. Y. Common.....	22,275.00
200 Shares Electric Bond & Share Co. \$5 Cum. Pfd.....	7,100.00
200 Shares Electric Power & Light Co. \$6 Cum. Pfd.....	1,375.00
500 Shares Electric Power & Light Co. Common.....	1,375.00
500 Shares Federal Light & Traction Co. \$6 Cum. Pfd.....	25,000.00
500 Shares North American Co. \$3 Cum. Pfd.....	20,187.50
500 Shares Standard Gas & Electric Co. \$4 Cum. Pfd.....	2,812.50
600 Shares United Gas Improvement Co. Common.....	7,500.00
	<hr/>
	\$ 134,425.00

## BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 5,705.00
500 Shares Chase National Bank of The City of New York.....	12,375.00
10 Shares First National Bank of the City of New York.....	15,000.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	17,100.00
65 Shares Guaranty Trust Co. of the City of New York.....	19,467.50
1,750 Shares Manhattan Co., New York, N. Y.....	38,937.50
1,750 Shares New York Title and Mortgage Corp.....	0.00
	<hr/>
	\$ 108,585.00



# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

MARKET  
VALUE

50 Shares Amerex Holding Corp. ....	\$ 550.00
500 Shares American Smelting & Refining Co., Common .....	19,375.00
500 Shares Anaconda Copper Mining Co. ....	5,750.00
500 Shares Eastman Kodak Co., Common .....	56,000.00
500 Shares Kennecott Copper Co. ....	8,625.00
500 Shares Pullman, Inc. ....	23,875.00
1,000 Shares Standard Oil Co. of New Jersey .....	43,250.00
1,000 Shares Socony-Vacuum Oil Co., Inc. ....	14,750.00
	<hr/>
	\$ 172,175.00

PAR  
VALUE

## RECAPITULATION

\$ 796,250 Mortgage Loans .....	\$ 796,250.00
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401,800 U. S. Government Bonds .....	\$ 413,167.67
250,000 State Bonds .....	275,000.00
710,000 Railroad Bonds .....	395,425.00
100,000 Public Utility Bonds .....	63,500.00
100,000 Miscellaneous Bonds .....	103,500.00
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\$1,561,800 Total of Bonds .....	\$1,250,592.67
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Railroad Stocks .....	\$ 287,312.50
Public Utility Stocks .....	134,425.00
Bank and Trust Company Stocks .....	108,585.00
Miscellaneous Stocks .....	172,175.00
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Total of Stocks .....	\$ 702,497.50
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GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY .....	\$2,749,340.17

NOTE: Securities are valued at actual market value as of December 31, 1934.

# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	MARKET VALUE
\$ 25,000.00	Dominion of Canada Conversion Loan, 4½%, 1949/59 (5½% to 1934)	27,750.00
10,000.00	Dominion of Canada 1931 National Service Loan, 5%, 1941	11,285.00
25,000.00	Canadian Natl. Ry. Gtd. by Dom. of Can., 5%, 1969 or earlier	29,062.50
5,000.00	Canadian Natl. Ry. Gtd. by Dom. of Can., 4½%, 1956	5,712.50
5,000.00	Canadian Natl. Ry. Equip. Tr. Ser. "K" Gtd. by Dom. of Can. 5%, 1939	5,300.00
15,000.00	Canadian Natl. Ry. Equip. Gtd. by Dom. of Can., 5%, 1935	15,000.00
5,000.00	Province of Alberta, 4½%, 1956	4,950.00
10,000.00	Province of New Brunswick, 5%, 1959	11,550.00
10,000.00	Province of New Brunswick, 3%, 1939	9,800.00
5,000.00	Province of Nova Scotia, 5%, 1960	5,825.00
10,000.00	Province of Nova Scotia, 4½%, 1961	11,125.00
10,000.00	Province of Ontario, 6%, 1935	10,300.00
25,000.00	Province of Ontario, 5%, 1959	29,750.00
4,000.00	Province of Ontario, 4½%, 1944	4,450.00
10,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 6%, 1941	11,350.00
25,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 4%, 1957	26,250.00
10,000.00	T. & N. O. Railway Commission Gtd. by Prov. of Ont., 4%, 1965	10,325.00
5,000.00	Province of Saskatchewan, 6%, 1936	5,000.00
25,000.00	Kingdom of Norway External Loan, 5%, 1933/63	24,312.50
\$239,000.00		\$259,097.50

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941	10,087.50
2,000.00	City of Brandon, Manitoba, 5½%, 1939	1,805.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942	805.00
2,000.00	City of Brantford, Ontario, 4½%, 1942	2,055.00
4,000.00	City of Brantford, Ontario, 5%, 1944	4,280.00
973.33	City of Calgary, Alberta, 4½%, 1941	944.13
2,433.32	City of Calgary, Alberta, 4½%, 1942	2,360.32
2,433.33	City of Calgary, Alberta, 5%, 1943	2,409.00
10,000.00	City of Edmonton, Alberta, 5½%, 1945	9,200.00
2,000.00	City of Fort William, Ontario, 4½%, 1952	1,875.00
4,000.00	City of Fort William, Ontario, 4½%, 1957	3,710.00
5,000.00	City of Galt, Ontario, 5%, 1937	5,106.25
5,000.00	City of Galt, Ontario, 5½%, 1936	5,143.75
5,000.00	City of Halifax, Nova Scotia, 5%, 1961	5,650.00
1,946.66	City of Hamilton, Ontario, 4%, 1940	1,956.40

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 4,000.00	City of Hamilton, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1938	\$ 4,160.00
6,000.00	City of Hamilton, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1939	6,240.00
10,000.00	City of Kitchener, Ontario, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1937	10,300.00
10,000.00	Montreal Metropolitan Commission, 5 <sup>0</sup> / <sub>100</sub> , 1966	10,200.00
14,163.22	City of Niagara Falls, Ontario, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1934 to 1938	8,497.93
10,000.00	City of North Bay, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1938 to 1941	9,675.00
2,000.00	City of North Bay, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1942-43	1,915.00
2,000.00	City of Oshawa, Ontario, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1946	1,700.00
5,000.00	City of Oshawa, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1938	4,500.00
6,000.00	City of Ottawa, Ontario, 6 <sup>0</sup> / <sub>100</sub> , 1940	6,630.00
10,000.00	City of Peterborough, Ontario, 4 <sup>1</sup> / <sub>4</sub> <sup>0</sup> / <sub>100</sub> , 1939	10,362.50
3,000.00	City of Port Arthur, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1945	2,977.50
2,000.00	City of Port Arthur, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1937	1,990.00
5,000.00	City of Regina, Saskatchewan, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1942	4,587.50
1,500.00	City of Regina, Saskatchewan, 6 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1951	1,447.50
5,000.00	City of Saskatoon, Saskatchewan, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1948	3,868.75
4,000.00	City of St. Catharines, Ontario, 4 <sup>0</sup> / <sub>100</sub> , 1935	4,000.00
5,000.00	City of St. John, N. B., 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1971	5,300.00
10,000.00	City and County of St. John, N. B., 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1971	10,600.00
5,000.00	City of Sarnia, Ontario, 6 <sup>0</sup> / <sub>100</sub> , 1939	5,075.00
15,000.00	City of Sydney, Nova Scotia, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1942	13,950.00
2,000.00	City of Three Rivers, Quebec, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1947	2,040.00
5,500.00	City of Three Rivers, Quebec, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1952	5,610.00
5,000.00	City of Toronto, Ontario, 6 <sup>0</sup> / <sub>100</sub> , 1935	5,087.50
15,000.00	City of Toronto, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1945	16,837.50
50,000.00	City of Toronto, Ontario, 6 <sup>0</sup> / <sub>100</sub> , 1945	59,000.00
14,000.00	City of Toronto, Ontario, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1948	15,400.00
13,000.00	City of Toronto, Ontario, 5 <sup>0</sup> / <sub>100</sub> , 1953	15,372.50
10,000.00	Toronto Harbor Commissioners Gtd. by City of Toronto, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1953 or earlier	10,500.00
9,733.33	City of Victoria, British Columbia, 4 <sup>0</sup> / <sub>100</sub> , 1936	9,538.66
15,000.00	City of Victoria, British Columbia, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1941	14,700.00
1,000.00	City of Victoria, British Columbia, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1941	980.00
1,000.00	City of Victoria, British Columbia, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1945	980.00
2,000.00	City of Welland, Ontario, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1939	1,970.00
3,000.00	City of Winnipeg, Manitoba, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1950	2,955.00
1,703.33	City of Winnipeg, Manitoba, Reg'd Stock, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1943/63	1,754.43



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946 to 1949....	\$ 4,583.53
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,330.00
3,000.00	Town of Collingwood, Ontario, Gtd. by County of Simcoe, Ontario, 5%, 1944.....	3,060.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943-44.....	6,195.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945.....	4,130.00
2,000.00	Town of Dundas, Ontario, 5%, 1948.....	2,090.00
8,000.00	Town of Dundas, Ontario, 5%, 1949.....	8,380.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937 to 1941.....	1,820.91
6,000.00	Town of Sandwich, Ontario, 5½%, 1945.....	1,320.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940 to 1942.....	1,472.59
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	16,320.00
865.87	Town of Smith's Falls, Ontario, 5½%, 1935.....	865.87
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	4,950.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3½%, 1937.....	1,600.00
1,703.67	Town of Watrous, Saskatchewan, 5½%, 1933 to 1956.....	511.10
6,145.49	Town of Weston, Ontario, 5%, 1947.....	3,994.56
3,835.08	Village of Madoc, Ontario, 5%, 1935 to 1939, 1947.....	3,869.36
10,000.00	Township of Barton, Ontario, 5%, 1944.....	10,362.50
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49.....	4,200.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	3,250.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963.....	1,600.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959.....	6,300.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956.....	315.00
5,000.00	Township of Scarborough, Ontario, 5%, 1942.....	2,900.00
10,000.00	Township of Scarborough, Ontario, 5%, 1940.....	5,800.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960.....	1,750.00
5,000.00	Greater Winnipeg Water District, 6%, 1940.....	5,200.00
1,000.00	County of Carleton, Ontario, 6%, 1939.....	1,040.00
4,000.00	County of Carleton, Ontario, 6%, 1941-44.....	4,160.00
10,000.00	County of Essex, Ontario, 5½%, 1936.....	6,000.00
6,000.00	County of Haldimand, Ontario, 5%, 1935-37.....	6,015.00
11,000.00	United Counties of Lennox & Addington, 4½%, 1935-39.....	10,890.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942.....	7,752.50
<hr/>		
\$529,371.64		\$495,117.54



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS	MARKET VALUE
\$ 1,000.00	Brandon, Manitoba, School District No. 129, 4%, 1936.....	\$ 917.50
5,000.00	City of Hamilton, Ont., Roman Catholic Separate School, 5%, 1949..	5,225.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943.....	7,280.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-52.....	5,760.00
1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953.....	960.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953 to 1960.....	10,346.29
5,000.00	Roman Catholic School, Toronto, 5%, 1945.....	5,462.50
<hr/> \$ 35,346.29		<hr/> \$35,951.29

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp., Toronto, 5¼%, 1935.....	\$10,000.00
20,000.00	Canada Permanent Mortgage Corp., Toronto, 5%, 1935.....	20,000.00
30,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1935.....	30,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ont., 5%, 1935.....	25,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ont., 4¾%, 1935.....	20,000.00
10,000.00	Abitibi Power & Paper Co., Ltd., 1st Mtge. Ser. A, 5%, 1953 or earlier	3,350.00
10,000.00	British Columbia Tel. Co., Ltd., 1st Mtge. Series A, 5%, 1960.....	10,325.00
10,000.00	Canada Cement Co., Ltd., 1st Mtge. S. F. Ser. A, 5½%, 1947 or earlier	10,100.00
5,000.00	Canadian International Paper Co., 1st Mtge., 6%, 1949 or earlier....	3,525.00
5,000.00	Consolidated Paper Corp., Ltd., 1st Mtge. (5½% after 1936) 1961...	950.00
25,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 5%, 1949 or earlier	25,062.50
35,000.00	Gatineau Power Co., 1st Mortgage S. F., 5%, 1956 or earlier.....	34,037.50
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mtge. S. F., 5½%, 1949 or earlier.....	4,000.00
20,000.00	Massey-Harris Co., Ltd., Toronto, S. F. Deb., 5%, 1947 or earlier....	17,000.00
5,000.00	Quebec Power Co., 1st Mtge. Coll. Tr. Ser. A, 5%, 1968 or earlier....	5,075.00
10,000.00	Simpson's, Ltd., 1st Mtge. Coll. Tr. Series A, 6%, 1949 or earlier....	10,225.00
5,000.00	United Gas & Fuel Co. of Hamilton, Ltd., 1st Mtge. S. F., 5½%, 1948	4,475.00
5,000.00	United Grain Growers, Ltd., 1st Mtge. S. F. Series A, 5%, 1948.....	4,675.00
5,000.00	West Kootenay Power & Light Co., Ltd., 1st Mtge. Series A, Gtd. by The Consolidated Mining & Smelting Co. of Canada, Ltd., 5%, 1956	5,250.00
<hr/> \$265,000.00		<hr/> \$243,050.00

# THE CANADIAN SURETY COMPANY—Continued

	STOCKS	MARKET VALUE
100 Shares International Milling Co. (Cumulative Sinking Fund First Preferred— par value \$100.00) 7%.....		\$11,137.50
200 Shares Canadian General Electric Co., Ltd. (Cumulative Preferred—par value \$50.00) 7%.....		12,900.00
200 Shares Canadian Pacific Railway Stock (Common—par value \$25.00).....		2,350.00
50 Shares Consolidated Paper Corp., Ltd. (non assessable, no par value).....		72.50
		<hr/> \$26,460.00

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	
\$ 5,000.00	Canada Permanent Trust Company, Toronto, 5¼%, 1935.....	\$ 5,000.00
10,000.00	Canada Permanent Trust Company, Toronto, 4%, 1939.....	9,950.00
5,000.00	Toronto General Trusts Corp., Toronto, 5¼%, 1935.....	5,000.00
10,000.00	Toronto General Trusts Corp., Toronto, 4%, 1939.....	9,950.00
5,000.00	Trusts and Guarantee Company, Toronto, 4¾%, 1939.....	5,000.00
<hr/> \$ 35,000.00		<hr/> \$34,900.00

RECAPITULATION		
\$ 239,000.00	Government Bonds.....	\$ 259,097.50
529,371.64	Municipal Bonds.....	495,117.54
35,346.29	School Bonds.....	35,951.29
265,000.00	Miscellaneous Bonds.....	243,050.00
<hr/> \$1,068,717.93	TOTAL OF BONDS.....	<hr/> \$1,033,216.33
	Stocks.....	26,460.00
	Deposits with Trust Companies for Investment.....	34,900.00
	<hr/> GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....	<hr/> \$1,094,576.33

NOTE: Securities are stated at actual market value as of December 31, 1934.

SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949	\$ 8,600.00
10,000	American Power & Light Company Deb. $6\%$ , 2016	5,175.00
20,000	American Telephone & Telegraph Company Deb. $5\%$ , 1965	22,200.00
10,000	Baltimore & Ohio R. R. Co. Conv. $4\frac{1}{2}\%$ , 1960	5,750.00
15,000	Brooklyn-Manhattan Transit Corporation Secured S. F. Series "A" $6\%$ , 1968	15,712.50
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" $5\%$ , 1975	4,850.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" $4\frac{3}{4}\%$ , 1949	4,200.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. $4\frac{1}{2}\%$ , 1960	675.00
10,000	Erie R. R. Company Ref. & Imp. $5\%$ , 1967	7,250.00
88,000	Mexican Federal Government Exterior $5\%$ , 1945	7,480.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" $5\%$ , 1955	5,550.00
10,000	Ohio Edison 1st & Cons. $5\%$ , 1960	9,750.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A" $5\frac{1}{2}\%$ , 1952	8,600.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit)	1,325.00
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969	13,100.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" $5\%$ , 1977	8,825.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. $5\%$ , 1958	8,150.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" $5\%$ , 1976	1,875.00
P300,000	Mexican Federal Government Interior Consol. $3\%$ , 1925	6,250.00
1,100	Mexican Federal Government Interior Debt $5\%$	21.38
106,800	United Shoe & Leather Company $5\%$ , 1941	16,316.67
STOCKS		
100	Shares American Superpower 1st Preferred	5,325.00
84	Shares Commonwealth & Southern Corporation Preferred	2,562.00
600	Shares Lehigh Valley Coal Corporation Preferred	6,900.00
1	Share Mexico City Country Club	833.33
200	Shares Banco Nac. Hipotecario Urbano y de Obras Públicas	5,555.56
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.		\$182,831.44

NOTE: Bonds and stocks are valued at actual market value as of December 31, 1934.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	MARKET VALUE
\$10,000 Brooklyn-Manhattan Transit Corp., Series "A" 6%, 1968 . . . . .	\$ 10,475.00
50,000 New England Power Association Deb. 5%, 1948 . . . . .	28,750.00

## STOCKS

800 Shares Amnyco Printing & Supply Corporation . . . . .	40,000.00*
66 Shares Canadian Surety Company . . . . .	9,700.00*
100 Shares Engineers Public Service Co. Convertible Preferred . . . . .	1,400.00
1,000 Shares International Paper & Power Co. Cumulative Preferred . . . . .	10,125.00
600 Shares Lehigh Valley Coal Corporation Preferred . . . . .	6,900.00
9 Shares Title Guaranty & Surety Company . . . . .	90.00
200 Shares United Corporation Common . . . . .	575.00
	<hr/>
	\$108,015.00

NOTE: Securities are valued at actual market value as of December 31, 1934, except investments in affiliated companies, items marked\*, which are stated at cost.





REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1935

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*Vice-Chairman*

A. F. LAFRENTZ  
*President*

RICHARD DEMING  
*First Vice-President*

### *Vice-Presidents*

W. M. TOMLINS, JR.

W. E. MCKELL

E. F. WATSON

G. L. NAUGHT

F. J. PARRY

B. J. MCGINN

LEWIS H. PARRY

L. S. MOORE

M. L. JENKS

R. B. HAMILTON

D. H. COOK

H. P. DUNHAM

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

S. C. HEMSTREET  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT  
JOHN ANDERSON  
A. J. BROSEAU  
R. R. BROWN  
NEWCOMB CARLTON  
FANNIN W. CHARSKE  
RICHARD DEMING  
W. N. DYKMAN  
F. COIT JOHNSON  
JOHN L. KEMMERER  
F. M. KIRBY  
F. W. LAFRENTZ  
A. F. LAFRENTZ

JAMES T. LEE  
EDWARD E. LOOMIS  
L. F. LOREE  
JEREMIAH T. MAHONEY  
W. E. MCKELL  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
LINDSAY RUSSELL  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
ALBERT H. WIGGIN

BRONSON WINTHROP



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1935	1934	Increase	Decrease
Real Estate.....	\$10,000,000.00	\$10,000,000.00		
*Bonds.....	5,365,268.06	3,874,271.52	\$1,490,996.54	
*Stocks.....	5,099,493.97	5,344,878.22		\$245,384.25
Premiums in Course of Col- lection (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due)....	1,430,311.91	1,388,976.66	41,335.25	
Cash in Banks and Offices....	2,140,852.21	1,283,840.40	857,011.81	
Reinsurance and Other Accounts Receivable.....	114,601.65	137,609.84		23,008.19
Interest and Rents Due and Accrued.....	58,966.04	71,461.28		12,495.24
	<u>\$24,209,493.84</u>	<u>\$22,101,037.92</u>	<u>\$2,108,455.92</u>	

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits Reserve for Unearned Premiums.....	4,051,676.24	2,442,677.42	\$1,608,998.82	
Reserve for Reported Losses..	5,680,131.89	5,710,231.24		\$ 30,099.35
Reserve for Unreported Losses:	3,863,065.44	3,512,932.04	350,133.40	
Allocated to Specific Lines..	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York..	225,371.96	246,691.28		21,319.32
Unallocated (Voluntary)...	206,273.89	240,604.53		34,330.64
Reserve for Expenses, Taxes and other Liabilities.....	1,020,438.36	955,573.47	64,864.89	
Reserve for Depreciation— H. O. Building.....	200,000.00	100,000.00	100,000.00	
Dividend Payable— January 2, 1936.....	299,998.00	150,000.00	149,998.00	
*Contingency Reserve.....	57,538.06	137,327.94		79,789.88
	<u>\$24,209,493.84</u>	<u>\$22,101,037.92</u>	<u>\$2,108,455.92</u>	

\*Amortizable bonds are stated at amortized values and other bonds and stocks (with the exception of stocks of subsidiary companies which are carried at \$618,718.29 less than book value) at market values as established by the Insurance Department of the State of New York, with Contingency Reserve set up as a Liability to adjust amortized values to market values.

January 21, 1936.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1935, (in the fifty-second year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$12,042,253.68	(Decrease \$126,930.95)
Less Reinsurance Ceded.....	2,959,627.42	(Decrease 144,219.73)
Net Premiums Written.....	9,082,626.26	(Increase 17,288.78)
Decrease in Unearned Premium Reserve.....	68,860.61	(Increase 38,232.81)
Earned Premiums.....	9,151,486.87	(Increase 55,521.59)
From Home Office Building—		
Rents Less Operating Cost.....	568,440.27	(Decrease 28,664.99)
From Securities—Interest and Dividends.....	339,651.20	(Decrease 32,207.27)
TOTAL INCOME.....	<u>\$10,059,578.34</u>	(Decrease 5,350.67)

OUTGO:

For Operating Expenses Paid.....	\$ 3,487,923.62	(Increase 51,530.06)
For Claim Expenses Paid.....	694,457.17	(Decrease 47,232.56)
For Commissions Paid.....	1,447,552.90	(Decrease 43,831.16)
For Taxes Paid.....	390,288.96	(Increase 157,677.51)
For Losses Incurred.....	\$3,405,831.27	(Decrease 482,940.92)
Less Cash Salvage.....	820,118.44	(Decrease 269,959.71)
Net Losses Incurred.....	2,585,712.83	(Decrease 212,981.21)
TOTAL OUTGO.....	<u>\$ 8,605,935.48</u>	(Decrease 94,837.36)

EXCESS OF INCOME OVER OUTGO.....\$1,453,642.86  
(Increase of \$89,486.69)

INCREASE IN:

Reserve for Expenses and Taxes.....	\$ 82,651.06
Reserve for Depreciation of Building.....	100,000.00
	<u>182,651.06</u>

DECREASE IN:

Reserve for Overdue Premiums.....	100,000.00	82,651.06
Agents' Balances Charged Off.....	24,796.66	107,447.72
Investment Income and Underwriting Profit Less Reserves (Carried forward)...		<u>\$1,346,195.14</u>

Brought Forward .....		\$1,346,195.14
Add:		
Depreciation on Securities Sold, taken prior to		
January 1, 1935 .....	\$141,187.22	
Less loss from sale of these Securities .....	1,919.94	\$139,267.28
Transfer from Reserve for Depreciation of Securities Unsold ...	573,532.40	712,799.68
Deduct:		
Dividends Declared .....	450,000.00	2,058,994.82
Less dividends on fractional scrip certificates .....	4.00	449,996.00
Added to Surplus .....		1,608,998.82
Surplus, January 1, 1935 .....		2,442,677.42
Surplus, December 31, 1935 .....		<u>\$4,051,676.24</u>

Summarizing these results it is found that net earnings, after providing for all reserves and for Federal Income Tax, arose as follows:

From Investments .....	\$808,091.47
From Underwriting .....	538,103.67
that Securities Sold and Unsold appreciated .....	714,719.62
that loss from sale of securities was .....	1,919.94
that after payment of dividends and providing for dividend	
declared, payable January 2, 1936, there was added to Surplus .....	1,608,998.82

Premiums Written were \$126,930.95, or 1%, less than the Premiums Reported for the year 1934. This decrease in Premium income is largely due to lower rates on certain Bank and Commercial Fidelity lines, the result of more favorable experience during the past several years on these risks. Reinsurance Ceded to other companies, however, decreased \$144,219.73, or 4.6%, as compared with the preceding year, thereby producing an increase in Net Premiums Written of \$17,288.78.

Net Income from the Home Office Building was \$28,664.99, or 4.8%, less than the previous year. A decrease in Gross Rentals of \$17,164.99 was coupled with an increase in Repairs and Maintenance of \$11,868.52 and a decrease in Taxes of \$709.85.

Receipts from Interest and Dividends were smaller by \$32,207.27, or 8.7%. Interest Received declined \$39,326.38. This decrease was occasioned largely by the fact that during the year certain bonds selling at or above their call price were disposed of and the proceeds reinvested in United States Treasury Notes. On the other hand, Dividends increased by \$7,119.11. Dividends Received from Subsidiary Companies amounted to \$36,803.75.

The increase in Operating Expenses Paid of \$51,530.06, or 1.5%, was principally due to an increase in salaries of Officers and employees effective January 1, 1935, and the expense incurred in moving certain Home Office Departments formerly located at 80 John Street to 100 Broadway. This move will, during the current year, effect substantial economies in operation.

Claim payments during the year were materially reduced, which accounted for the substantial decrease of \$47,232.56, or 6.4%, in Claim Expenses Paid. It is anticipated that this favorable trend will continue during the ensuing year.



Taxes Paid advanced sharply from \$232,611.45 to \$390,288.96, an increase of \$157,677.51, or 67.8%. Federal Income Tax increased \$146,816.85 and various State and Municipal taxes \$10,860.66. There has been a strong tendency in recent months to increase in a number of States the taxes levied on the already heavily taxed insurance business. It is hardly necessary to add that no effort should be spared to discourage this trend.

Losses Incurred declined \$482,940.92, or 12.4%, and Losses Paid decreased \$1,595,444.13, as compared with the preceding year. Total Incurred Losses for 1935 of \$3,405,831.27 is the lowest amount reported for any year since 1922.

Salvage Collections, on the other hand, were smaller by \$269,959.71, or 24.8%. The collection of a number of rather substantial salvage items which could have been made during 1935 has been deferred to a later date in order that larger returns may be realized.

An additional \$100,000.00 was reserved for depreciation of the Company's Home Office Building.

During the year certain bonds and stocks were disposed of. Based on cost of such securities the losses exceeded the profits by \$1,919.94. Securities valuations, however, appreciated \$714,719.62. This amount was added to Surplus and Reserve for Depreciation of Securities set up in prior years correspondingly reduced.

The Financial Statement as of December 31, 1935, submitted herewith, is prepared in the form prescribed by the Insurance Department of the State of New York. This form of statement differs from that rendered as of December 31, 1934, in the following respects:

Instead of reporting all securities at market values, amortizable bonds are stated at amortized values and other bonds and stocks at market values with Contingency Reserve set up as a Liability to adjust amortized values to market values. Reinsurance Payable, formerly reflected as a Liability, is deducted from Premiums and Agents' Balances in Course of Collection.

On this basis the total resources of the Company amounted to \$24,209,493.84 as of December 31, 1935, compared with \$22,101,037.92, as of December 31, 1934, an increase of \$2,108,455.92.

The Company's real estate consists of the property known as 100 Broadway, New York City, on which is erected its twenty-three story Home Office building. This property is unencumbered and was appraised June 5, 1933, by the New York State Insurance Department at \$10,000,000.00. The Company now occupies approximately six and one-quarter floors, having transferred to this location during the year certain Home Office Departments formerly situated at 80 John Street. Including this space the building at the present time is 94.4% rented.

Investments in bonds and stocks of \$10,464,762.03 are valued as follows: Amortizable bonds at amortized values. Other bonds and stocks (except the stocks of subsidiary companies which are carried at \$618,718.29 less than their book value) at market values established by the Insurance Department of the State of New York. The difference between the amortized values and market values of such bonds is reflected in the Contingency Reserve appearing on the Liability side of the statement. It will be observed by comparison with the Company's portfolio of December 31, 1934, that certain changes have been made, notably an increase in holdings of United States Treasury Notes maturing 1938-40. Additional funds invested during the year amounted to \$630,876.22.

Premiums and Agents' Balances in Course of Collection as of December 31, 1935, amounted to \$1,943,351.58. There is deducted from this figure \$328,549.18 Reinsurance Payable, representing items due other companies on reinsurance cessions. While such items have no relation



to Premiums and Agents' Balances in Course of Collection the form of statement filed with the Insurance Department calls for such treatment.

The aggregate of Premiums and Agents' Balances More Than Ninety Days Due was reduced to \$184,490.49 which, in proportion to the total outstanding premiums, is the lowest in the history of the Company. This item is not allowed as an asset by the Insurance Department although the major portion is collectible. It is, therefore, deducted from the total Premiums and Agents' Balances in Course of Collection.

Cash in Banks and Offices at the close of the year totalled \$2,140,852.21 which is a substantial increase over a year ago and represents, in part, additional funds seeking investment when conditions appear favorable.

Reserve for Unearned Premiums of \$5,680,131.89 is calculated on a fifty per cent basis for annual premiums and on a pro-rata basis for term premiums in force. In this connection attention is called to the fact that no credit may be taken for unearned premiums on reinsurance ceded to companies not qualified to transact business in the State of New York. Therefore, reserves carried by our subsidiary companies in Canada and Mexico on cessions received from us are duplicated in our reserve to the extent of approximately \$200,000.00.

Reserves have been provided for all known claims. The reserve of \$3,863,065.44 is considered adequate to discharge the Company's liability for losses reported before but unadjusted at the close of the year.

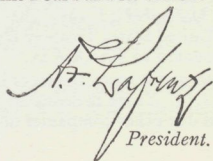
In addition to this reserve an Unreported Loss Reserve is maintained of which \$1,105,000.00 is allocated to specific lines and \$225,371.96 to Losses Due from Companies not Authorized in the State of New York. Here again reserves carried by our Canadian and Mexican subsidiary companies are duplicated to the extent of approximately \$140,000.00.

Our subsidiary Companies, New York Casualty Company, Canadian Surety Company and Compania Mexicana de Garantias, S. A., made satisfactory progress during the year just ended. The operating results and Financial Statements of these Companies and of the Amsuco Securities Company are included in this report.

In last year's report mention was made of the plan of "Loss Prevention" initiated by our Company in connection with Bank Burglary and Robbery, as well as Bankers Blanket Bond risks. This campaign to prevent losses has been carried on with increased vigor during 1935 with extremely gratifying results. The improvement in our bank robbery experience which was so marked during 1934 has continued during the past year and, in addition, the loss ratio on Bankers Blanket Bonds has been materially lowered. We feel amply rewarded for the time and money spent in this work by reason of the excellent reception which this service has been accorded.

The results shown in this report are due to the loyalty and efficiency of our entire staff and agency force both at home and abroad. In closing I take the opportunity of placing on record my appreciation of their whole-hearted cooperation in the conduct of the Company's affairs and to express again my thanks to the members of this Board and its various Committees for their counsel and assistance.

Respectfully,



President.

## GENERAL INFORMATION

There were presented to us during 1935:

		Comparison with Preceding Year
Fidelity Claims.....	3,186	Decrease of 598
Official Claims.....	587	Increase of 66
Surety Claims.....	658	Decrease of 98
Burglary Claims.....	546	Decrease of 46
Forgery Claims.....	308	Increase of 12
Plate Glass Claims.....	1,359	Decrease of 305
Other Casualty Claims.....	11,096	Increase of 333
Total.....	17,740	Decrease of 636

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{	Year 1935 . . . . . 20.44
		Entire Period . . . . . 29.93
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{	Year 1935 . . . . . 16.01
		Entire Period . . . . . 35.16
Plate Glass Claims Paid to Net Premiums . . . . .	{	Year 1935 . . . . . 34.05
		Entire Period . . . . . 33.14
Other Casualty Claims Paid to Net Premiums . . . . .	{	Year 1935 . . . . . 42.32
		Entire Period . . . . . 38.77

The Company has an agency organization consisting of 42 Branch and Service Offices on a salary basis, and 10,890 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of .....	\$203,967,578.12
Its Net Paid Losses were .....	62,529,652.74
And Its Expenses were .....	123,562,996.05
Leaving an excess from underwriting, subject to Reserves, of .....	17,874,929.33
Which is equivalent to 8.76% of the Net Premium Income.	
Income from Investments .....	22,220,621.53
Our Stockholders have received in Cash Dividends .....	\$ 21,837,365.00

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1935

RESOURCES

Real Estate .....			\$10,241,812.55
†Bonds, Stocks and Debentures .....			11,933,876.27
Premiums and Agents' Balances in Course of Collection .....	\$2,586,543.74		
Less Reinsurance Payable .....	378,896.46	\$2,207,647.28	
Less Premiums and Agents' Balances more than Ninety days due .....		250,914.03	1,956,733.25
Cash .....			2,776,337.25
Mortgage and other Secured Loans .....			980,023.93
Reinsurance and other Accounts Receivable .....			276,899.98
Interest and Rents Due and Accrued .....			105,838.98
			<u>\$28,271,522.21</u>

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 Per Share) .....		\$ 7,500,000.00
Surplus and Undivided Profits .....		4,670,394.52
Legal Fund Provision—Mexico .....		46,296.29
Voluntary Special Reserve—Canadian .....		25,000.00
†Minority Interest in Subsidiary Companies .....		114,077.95
Reserve for Unearned Premiums .....		7,197,640.26
Reserve for Reported Losses .....		5,063,936.16
Reserve for Unreported Losses:		
Allocated to Specific Lines .....	\$1,337,000.00	
Allocated to Losses due from Companies not authorized in the State of New York .....	225,371.96	
Unallocated (Voluntary) .....	223,042.64	1,785,414.60
Reserve for Expenses, Taxes and Other Liabilities .....		1,294,296.10
Reserve for Depreciation—Home Office Building .....		200,000.00
Reserve for Doubtful Accounts—Amsuco .....		2,000.00
Dividend Payable—January 2, 1936 .....		299,998.00
*Contingency Reserve .....		72,468.33
		<u>\$28,271,522.21</u>

†Securities carried at \$1,851,862.26 in the above statement and Cash amounting to \$50,457.33, are deposited as required by law.

†Minority Interest in Subsidiary Companies consists of:

- 20 Shares New York Casualty Company Stock
- 682 Shares Canadian Surety Company Stock
- 25 Shares Compania Mexicana de Garantias, S. A. Stock

\*Adjusts Securities to Market value.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1935

## RESOURCES

Real Estate.....		\$10,000,000.00
(Home Office Premises, unencumbered, appraised by New York Insurance Department June 5, 1933)		
*Securities:		
Bonds.....	\$5,365,268.06	
Preferred Stocks.....	1,634,680.00	
Common Stocks.....	3,464,813.97	10,464,762.03
Premiums and Agents' Balances in Course of Collection.....	\$1,943,351.58	
Less Reinsurance Payable.....	328,549.18	1,614,802.40
Less Premiums and Agents' Balances more than Ninety days due.....		184,490.49
Cash in Banks and Offices.....		2,140,852.21
Reinsurance and Other Accounts Receivable.....		114,601.65
Interest and Rents Due and Accrued.....		58,966.04
		<u>\$24,209,493.84</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share).....	\$ 7,500,000.00	
Surplus and Undivided Profits.....	4,051,676.24	
Reserve for Unearned Premiums.....	5,680,131.89	
Reserve for Reported Losses.....	3,863,065.44	
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$1,105,000.00	
Allocated to Losses due from Companies not Authorized in the State of New York.....	225,371.96	
Unallocated (Voluntary).....	206,273.89	1,536,645.85
Reserve for Expenses, Taxes and Other Liabilities.....		1,020,438.36
Reserve for Depreciation—Home Office Building.....		200,000.00
Dividend Payable—January 2, 1936.....		299,998.00
*Contingency Reserve.....		57,538.06
		<u>\$24,209,493.84</u>

\*Securities carried at \$1,051,619.26 in the above statement are deposited as required by law.

Amortizable bonds are stated at amortized values and other bonds and stocks (with the exception of stocks of subsidiary companies which are carried at \$618,718.29 less than book value) at market values as established by the Insurance Department of the State of New York, with Contingency Reserve set up as a Liability to adjust amortized values to market values.



The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$2,565,595.44	(Decrease \$ 38,734.97)
Less Reinsurance Ceded.....	361,551.55	(Increase 15,598.40)
Net Premiums Written.....	2,204,043.89	(Decrease 54,333.37)
Increase in Unearned Premium Reserve.....	17,010.25	(Increase 39,571.87)
Earned Premiums.....	2,187,033.64	(Decrease 93,905.24)
From Rents, less Operating Costs.....	1,488.28	(Increase 760.26)
From Securities—Interest and Dividends.....	115,161.81	(Decrease 9,812.34)
TOTAL INCOME.....	<u>\$2,303,683.73</u>	(Decrease 102,957.32)
OUTGO:		
For Operating Expenses Paid.....	\$ 499,564.84	(Increase 602.89)
For Claim Expenses Paid.....	204,185.96	(Decrease 39,309.45)
For Commissions Paid.....	504,409.33	(Decrease 11,471.99)
For Taxes Paid.....	62,231.87	(Increase 5,088.85)
For Losses Incurred.....	\$1,050,818.69	(Decrease 114,972.89)
Less Cash Salvage.....	54,586.93	(Decrease 19,596.07)
Net Losses Incurred.....	996,231.76	(Decrease 95,376.82)
TOTAL OUTGO.....	<u>\$2,266,623.76</u>	(Decrease 140,466.52)
EXCESS OF INCOME OVER OUTGO.....		\$ 37,059.97
(Increase of \$37,509.20)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 27,034.34	
Agents' Balances Charged Off.....	11,294.22	
	38,328.56	
DECREASE IN:		
Reserve for Overdue Premiums.....	20,000.00	18,328.56
Investment Income less Underwriting Loss.....		18,731.41
Add:		
Transfer from Reserve for Depreciation of Investments		
Unsold.....		258,375.37
		277,106.78
Deduct:		
Appreciation on Securities Sold, taken		
prior to January 1, 1935.....	\$ 55,004.90	
Less Profit from sale of these Securities.....	29,520.34	25,484.56
Transfer to Special Reserve for Unreported Losses ..	60,000.00	85,484.56
Added to Surplus.....		191,622.22
Surplus January 1, 1935.....		235,114.73
Surplus December 31, 1935.....		<u>\$426,736.95</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1935

## RESOURCES

Real Estate and Improvements.....		\$ 95,436.18
Real Estate Mortgages.....		728,450.00
*Securities:		
Bonds.....	\$1,277,150.27	
Stocks.....	918,394.00	2,195,544.27
Premiums and Agents' Balances in Course of Collection.....	\$552,170.12	
Less Reinsurance Payable.....	30,396.51	521,773.61
Less Premiums and Agents' Balances more than Ninety days due.....	51,944.55	469,829.06
Cash in Banks and Offices.....		344,144.23
Reinsurance and Other Accounts Receivable.....		71,687.08
Interest Due and Accrued.....		26,316.68
		<u>\$3,931,407.50</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share).....		\$1,000,000.00
Surplus and Undivided Profits.....		426,736.95
Reserve for Unearned Premiums.....		1,132,357.63
Reserve for Reported Losses.....		905,852.62
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$ 210,000.00	
Unallocated (Voluntary).....	16,768.75	226,768.75
Reserve for Expenses, Taxes and Other Liabilities.....		224,761.28
*Contingency Reserve.....		14,930.27
		<u>\$3,931,407.50</u>

American Surety Company of New York owns 39,980 of the 40,000 shares of capital stock of this Company, and carries the same at \$31.00 per share.

\*Securities carried at \$546,528.01 in the above statement are deposited as required by law.

Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, with Contingency Reserve set up as a Liability to adjust amortized values to market values.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

review show:		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$585,960.51	(Increase	\$29,245.88)
Less Reinsurance Ceded.....	94,541.52	(Increase	5,244.76)
Net Premiums Written.....	491,418.99	(Increase	24,001.12)
Increase in Unearned Premium Reserve.....	5,380.16	(Increase	4,604.41)
Earned Premiums.....	486,038.83	(Increase	19,396.71)
From Securities—Interest and Dividends.....	52,890.48	(Decrease	1,033.67)
TOTAL INCOME.....	<u>\$538,929.31</u>	(Increase	18,363.04)
OUTGO:			
For Operating Expenses Paid.....	\$163,189.19	(Decrease	4,186.15)
For Claim Expenses Paid.....	28,911.64	(Decrease	7,848.62)
For Commissions Paid.....	107,274.17	(Increase	2,032.09)
For Taxes Paid.....	16,188.01	(Increase	80.28)
For Losses Incurred.....	\$171,548.49	(Decrease	51,196.75)
Less Cash Salvage.....	33,302.19	(Decrease	10,053.96)
Net Losses Incurred.....	138,246.30	(Decrease	41,142.79)
TOTAL OUTGO.....	<u>\$453,809.31</u>	(Decrease	51,065.19)
EXCESS OF INCOME OVER OUTGO.....			\$ 85,120.00
(Increase of \$69,428.23)			
INCREASE IN:			
Reserve for Overdue Premiums.....	\$ 6,091.44		
Reserve for Expenses and Taxes.....	1,129.27	\$ 7,220.71	
Agents' Balances Reinstated.....	3,725.82		3,494.89
Investment Income and Underwriting Profit Less Reserves.....			81,625.11
Add:			
Profit on Sale of Securities.....			14,453.50
Deduct:			96,078.61
Transfer to Reserve for Depreciation of Securities Unsold.....	22,208.50		
Transfer to Special Reserve for Unreported Fidelity and Surety Losses.....	22,000.00		
Dividends Paid.....	15,000.00		59,208.50
Added to Surplus.....			36,870.11
Surplus January 1, 1935.....			278,669.33
Surplus December 31, 1935.....			<u>\$315,539.44</u>

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1935

## RESOURCES

*Bonds, Stocks and Debentures (At Market Value).....		\$1,154,568.15
Premiums and Agents' Balances in Course of		
Collection.....	\$75,053.57	
Less Reinsurance Payable.....	19,950.77	\$55,102.80
Less Premiums and Agents' Balances more than Ninety		
days due.....	14,478.99	40,623.81
Cash in Banks and Offices.....		61,262.73
Reinsurance Receivable.....		59,648.79
Accrued Interest Receivable.....		14,864.35
		<u>\$1,330,967.83</u>

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share).....	\$ 500,000.00
Surplus and Undivided Profits.....	315,539.44
Voluntary Special Reserve.....	25,000.00
Reserve for Unearned Premiums.....	231,897.65
Reserve for Reported Losses.....	214,216.59
Reserve for Unreported Fidelity and Surety Losses.....	22,000.00
Reserve for Expenses and Taxes.....	22,314.15
	<u>\$1,330,967.83</u>

American Surety Company of New York owns 4,318 of the 5,000 shares of capital stock of this Company, and carries the same at \$120.50 per share.

\*Securities carried at \$239,984.99 in the above statement are deposited as required by law.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$415,581.69	(Increase \$22,764.39)
Less Reinsurance Ceded.....	109,089.47	(Increase 14,940.50)
Net Premiums Written.....	306,492.22	(Increase 7,823.89)
Increase in Unearned Premium Reserve.....	28,800.47	(Increase 20,178.64)
Earned Premiums.....	277,691.75	(Decrease 12,354.75)
From Building—Rents Less Operating Cost.....	11,961.61	(Increase 977.83)
From Securities—Interest and Dividends.....	31,188.15	(Decrease 1,334.09)
TOTAL INCOME.....	<u>\$320,841.51</u>	(Decrease 12,711.01)
OUTGO:		
For Expenses and Taxes Paid.....	\$ 96,977.09	(Increase 3,663.66)
For Commissions Paid.....	21,090.77	(Decrease 9,038.13)
For Losses Incurred.....	\$ 87,723.36	(Decrease 41,296.66)
Less Cash Salvage.....	26,726.15	(Decrease 9,632.95)
Net Losses Incurred.....	60,997.21	(Decrease 31,663.71)
TOTAL OUTGO.....	<u>\$179,065.01</u>	(Decrease 37,038.18)
EXCESS OF INCOME OVER OUTGO.....		\$141,776.44
(Increase of \$24,327.17)		
Less Adjustment in Reducing to Dollars at 3.60.....		56,470.14
		85,306.30
Add:		
Transfer from Reserve for Depreciation of Securities		
Unsold.....		21,086.75
		106,393.05
Deduct:		
Increase in Reserve for Expenses and Taxes.....	\$ 14,224.04	
Reappraisal of Building.....	61,445.02	
Dividends Paid.....	20,000.00	95,669.06
Added to Surplus.....		10,723.99
Surplus January 1, 1935.....		164,276.01
Surplus December 31, 1935.....		<u>\$175,000.00</u>

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1935

(Converted into United States Currency, in the ratio of 3.60 Mexican Pesos, to One United States Dollar, for Mexican items and in the ratio of Two Mexican Pesos, to One United States Dollar, for Dollar items)

RESOURCES

Real Estate—Unencumbered.....	\$146,376.37
*Bonds and Stocks (At Market Value).....	203,918.19
Premiums in Course of Collection.....	15,968.47
Cash in Banks and Office.....	172,534.17
Cash Deposits under Law.....	50,457.33
Mortgage Loans.....	119,965.58
Reinsurance and other Accounts Receivable.....	17,221.18
Interest Due and Accrued.....	5,691.91
	<hr/>
	\$732,133.20

LIABILITIES

Capital Stock (5,000 Shares. Par Value \$50.00 per Share).....	\$250,000.00
Surplus and Undivided Profits.....	\$175,000.00
Legal Fund Provision.....	46,296.29
	<hr/>
Reserve for Unearned Premiums.....	153,253.09
Reserve for Reported Losses.....	80,801.51
Reserve for Expenses, Taxes and Other Liabilities.....	26,782.31
	<hr/>
	\$732,133.20

American Surety Company of New York owns 4,975 of the 5,000 shares of capital stock of this Company and carries the same at par.

\*Securities carried at \$13,730.00 in the above statement and Cash amounting to \$50,457.33, are deposited as required by law.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . .	\$ 12,207.81
From Other Sources . . . . .	682.73

TOTAL INCOME . . . . .	<u>\$ 12,890.54</u>
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OUTGO:

For Expenses Paid . . . . .	92.10
For Taxes Paid . . . . .	2,738.66

TOTAL OUTGO . . . . .	<u>\$ 2,830.76</u>
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EXCESS OF INCOME OVER OUTGO . . . . .	\$ 10,059.78
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Add:

Appreciation during 1935 in value of Investments . . . . .	34,475.00
	<u>44,534.78</u>

Deduct:

Dividends Paid . . . . .	4,000.00
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Added to Surplus . . . . .	40,534.78
Surplus January 1, 1935 . . . . .	33,041.43

Surplus December 31, 1935 . . . . .	<u>\$ 73,576.21</u>
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## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1935

### RESOURCES

*Bonds and Stocks (At Market Value) . . . . .	\$123,140.00
Cash in Banks . . . . .	7,086.58
Mortgage and other Loans Receivable . . . . .	131,608.35
Accounts Receivable . . . . .	13,741.28

\$275,576.21

### LIABILITIES

Capital Stock (4,000 Shares. Par Value \$50.00 per Share) . . . . .	\$200,000.00
Surplus . . . . .	73,576.21
Reserve for Doubtful Accounts . . . . .	2,000.00

\$275,576.21

American Surety Company of New York owns all of the capital stock of the Company and carries the same at par.

\*Except investment in Amnyco Printing and Supply Corp., which is stated at par.



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	MARKET VALUE
\$ 300,000	U. S. of America Treasury Notes, Ser. "D" 2½%, 1938.....	\$ 315,000.00
650,000	U. S. of America Treasury Notes, Ser. "C" 1½%, 1939.....	656,500.00
500,000	U. S. of America Treasury Notes, Ser. "A" 2½%, 1939.....	515,000.00
500,000	U. S. of America Treasury Notes, Ser. "B" 1¾%, 1939.....	505,000.00
400,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1940.....	404,000.00
400,000	U. S. of America Treasury Notes, Ser. "B" 1½%, June, 1940.....	404,000.00
200,000	U. S. of America Treasury Notes, Ser. "C" 1½%, Dec., 1940.....	202,000.00
20,000	U. S. of America Treasury Bonds 3¾%, 1943-1941.....	21,600.00
269,000	U. S. of America Treasury Bonds 3¼%, 1945-1943.....	285,140.00
84,500	U. S. of America Treasury Bonds 3¼%, 1946-1944.....	89,570.00
25,000	U. S. of America Treasury Bonds 3%, 1948-1946.....	25,750.00
75,000	U. S. of America Treasury Bonds 3½%, 1952-1949.....	78,000.00
40,000	U. S. of America Treasury Bonds 3%, 1955-1951.....	41,200.00
25,000	U. S. of America Treasury Bonds 2¾%, 1960-1955.....	25,000.00
		<hr/>
\$3,488,500		\$3,567,760.00
	STATE, U. S. POSSESSIONS AND CANADIAN BONDS	
\$ 50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1940.....	\$ 52,500.00
50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1941.....	52,500.00
25,000	N. Y. State Emerg. Construction 2¼%, 1940.....	25,500.00
100,000	N. Y. State Gen. State Improvement 2¼%, 1941.....	101,000.00
75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	75,750.00
10,000	Porto Rico Workingmen's House Cons., Ser. "B" 4½%, 1942-1940..	11,100.00
5,000	Porto Rico Public Improvement, Ser. "A" 5%, 1945-1944.....	6,250.00
10,000	Porto Rico Irrigation Loan of 1915, Ser. "F" 4%, 1956.....	11,000.00
20,000	Dominion of Canada, 3½%, 1949-1944.....	20,600.00
50,000	Province of Alberta, Canada, 4%, 1957.....	46,000.00
50,000	Province of Manitoba, Canada 4%, 1957.....	45,500.00
20,000	City of Winnipeg, Dominion of Canada, Con. Deb. 5%, 1943.....	19,600.00
		<hr/>
\$ 465,000		\$ 467,300.00
	MUNICIPAL BONDS	
\$ 50,000	City of Albany, N. Y. 2%, 1942.....	\$ 51,500.00
	RAILROAD BONDS	
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. 4%, 1939.....	\$ 42,500.00
200,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	124,000.00



PAR VALUE	RAILROAD BONDS—Continued	MARKET VALUE
\$ 50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., Ser. "D" 5%, 2000	\$ 37,000.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934	8,500.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960	20,000.00
480,000	Chicago & Northwestern Ry. Co. Conv. 4¾%, 1949	57,600.00
50,000	Erie R. R. Co. Consolidated General Lien 4%, 1996	38,500.00
25,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950	16,750.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977	56,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990	3,500.00
200,000	Southern Pacific Co. (with warrants) 4½%, 1969	154,000.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	26,500.00
25,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950	22,000.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939	43,000.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976	15,000.00
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\$ 1,742,500		\$ 664,850.00

#### PUBLIC UTILITY BONDS

\$ 125,000	Brooklyn-Manhattan Transit Corp. Secured S. F. Series "A" 6%, 1968	\$ 133,750.00
100,000	Western Union Telegraph Co. 5%, 1951	104,000.00
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\$ 225,000		\$ 237,750.00

#### MISCELLANEOUS BONDS

\$ 7,500	Allis Chalmers Manufacturing Co. Conv. Deb. 4%, 1945	\$ 8,850.00
25,000	Armour & Co. of Delaware 1st Mtge. Sink. Fund, Ser. "B" 4%, 1955	23,750.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949	80,000.00
49,000	Chicago Pneumatic Tool Co. Sinking Fund Deb. 5½%, 1942	50,470.00
50,000	General Cable Corp. 1st Mtge. Sink. Fund, Ser. "A" 5½%, 1947	50,500.00
100,000	Youngstown Sheet & Tube Co. 1st Mtge. Sink. Fund, Ser. "A" 5%, 1978	105,000.00
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\$ 331,500		\$ 318,570.00

## RAILROAD STOCKS

	MARKET VALUE
3,000 Shares Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd.....\$	285,000.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	60,000.00
1,000 Shares Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd.....	23,000.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co.....	32,000.00
3,000 Shares Erie R. R. Co. \$4 Non-Cum. First Pfd.....	54,000.00
2,000 Shares Hudson & Manhattan R. R. Co. Common.....	8,000.00
3,300 Shares New York Central R. R. Co.....	95,700.00
1,000 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Pfd.....	9,000.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	8,000.00
2,000 Shares Northern Pacific Railway Co. Common.....	48,000.00
5,625 Shares Pennsylvania R. R. Co.....	174,375.00
2,100 Shares Reading Co. Common.....	75,600.00
1,065 Shares St. Louis-San Francisco Railway Co. Common.....	1,065.00
2,000 Shares Southern Pacific Co. Common.....	48,000.00
4,000 Shares Southern Railway Co. \$5 Non-Cum. Pfd.....	76,000.00
7,000 Shares Southern Railway Co. Common.....	98,000.00
1,000 Shares Texas & Pacific Railway Co. Common.....	29,000.00

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\$1,124,740.00

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..\$	39,000.00
2,000 Shares Brooklyn-Manhattan Transir Corp. \$6 Cum. Pfd. Series "A".....	200,000.00
834 Shares Commonwealth & Southern Corp. \$6 Cum. Pfd.....	58,380.00
4,000 Shares Consolidated Gas Co. of N. Y. \$5 Cum. Pfd.....	412,000.00
2,000 Shares Consolidated Gas Co. of N. Y. Common.....	64,000.00
1,000 Shares Duquesne Light Co. \$5 Cum. First Pfd.....	115,000.00
1,400 Shares Engineers Public Service Co. \$5 Conv. Cum. Pfd.....	65,800.00
1,000 Shares The United Corporation \$3 Cum. Pfce.....	44,000.00
1,000 Shares The United Corporation Common.....	7,000.00

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\$1,005,180.00

## BANK STOCKS

7,032 Shares Chase National Bank of the City of New York.....\$	302,376.00
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MISCELLANEOUS STOCKS		MARKET VALUE
703.2 Shares Amerex Holding Corp. ....	\$	9,141.60
500 Shares American Ice Co. \$6 Non-Cum. Pfd. ....		9,500.00
1,000 Shares American Locomotive Co. \$7 Cum. Pfd. ....		73,000.00
1,000 Shares American Smelting & Refining Co. \$6 Cum. Second Pfd. ....		106,000.00
500 Shares American Sugar Refining Co. \$7 Cum. Pfd. ....		65,000.00
2,000 Shares Pullman, Inc. ....		74,000.00
2,500 Shares United States Steel Corp. Common. ....		122,500.00
STOCKS OF SUBSIDIARY COMPANIES		\$ 459,141.60
4,000 Shares Amsuco Securities Company. ....	\$	200,000.00
4,318 Shares Canadian Surety Company. ....		519,926.37
4,975 Shares Compania Mexicana de Garantias, S. A. ....		248,750.00
39,980 Shares New York Casualty Company. ....		1,239,380.00
RECAPITULATION		\$ 2,208,056.37
PAR VALUE		
\$3,488,500 U. S. Government Bonds. ....	\$	3,567,760.00
465,000 State, U. S. Possessions and Canadian Bonds. ....		467,300.00
50,000 Municipal Bonds. ....		51,500.00
1,742,500 Railroad Bonds. ....		664,850.00
225,000 Public Utility Bonds. ....		237,750.00
331,500 Miscellaneous Bonds. ....		318,570.00
\$6,302,500 Total of Bonds. ....	\$	5,307,730.00
Railroad Stocks. ....	\$	1,124,740.00
Public Utility Stocks. ....		1,005,180.00
Bank Stocks. ....		302,376.00
Miscellaneous Stocks. ....		459,141.60
Stocks of Subsidiary Companies. ....		2,208,056.37
Total of Stocks. ....	\$	5,099,493.97
GRAND TOTAL OF BONDS AND STOCKS OWNED BY AMERICAN SURETY COMPANY OF NEW YORK. ....		\$10,407,223.97
Difference between amortized values and market values of amortizable bonds. ....		57,538.06
Total as per Financial Statement. ....		\$10,464,762.03

NOTE: Market values shown are those established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are carried at \$618,718.29 less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	MARKET VALUE
\$ 380,375	Various Mortgage Loans on Real Estate, N. Y., 1936.....	\$ 380,375.00
190,400	Various Mortgage Loans on Real Estate, N. Y., 1937.....	190,400.00
76,825	Various Mortgage Loans on Real Estate, N. Y., 1938.....	76,825.00
41,850	Various Mortgage Loans on Real Estate, N. Y., 1940.....	41,850.00
39,000	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1941.....	39,000.00
\$ 728,450		\$ 728,450.00
	U. S. GOVERNMENT BONDS	
\$ 50,000	U. S. of America Treasury Notes, Ser. "D" $2\frac{1}{2}\%$ , 1938.....	\$ 52,500.00
65,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1939.....	65,650.00
30,000	U. S. of America Treasury Notes, Ser. "A" $2\frac{1}{8}\%$ , 1939.....	30,900.00
50,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{5}{8}\%$ , 1940.....	50,500.00
5,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1940.....	5,050.00
172,000	U. S. of America Treasury Bonds, $3\frac{1}{4}\%$ , 1945-1943.....	182,320.00
10,000	U. S. of America Treasury Bonds, $3\frac{1}{4}\%$ , 1946-1944.....	10,600.00
10,000	U. S. of America Treasury Bonds $3\%$ , 1955-1951.....	10,300.00
10,000	U. S. of America Treasury Bonds, $2\frac{7}{8}\%$ , 1960-1955.....	10,000.00
9,550	Home Owners' Loan Corp. of U. S. A. $2\frac{3}{4}\%$ , 1949-1939.....	9,550.00
15,000	Home Owners' Loan Corp. of U. S. A. $3\%$ , 1952-1944.....	15,150.00
\$ 426,550		\$ 442,520.00
	STATE BONDS	
\$ 50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1940.....	\$ 52,500.00
50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1941.....	52,500.00
25,000	N. Y. State Emerg. Construction $2\frac{1}{4}\%$ , 1940.....	25,500.00
50,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1941.....	50,500.00
75,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1942.....	75,750.00
\$ 250,000		\$ 256,750.00
	MUNICIPAL BONDS	
\$ 50,000	City of Albany, N. Y. $2\%$ , 1942.....	\$ 51,500.00
10,000	N. Y. City Harlem River Bridge Construction $3\frac{1}{2}\%$ , 1941.....	9,700.00
10,000	N. Y. City High Schools & Sites Therefor $3\frac{1}{2}\%$ , 1941.....	9,700.00
\$ 70,000		\$ 70,900.00
	RAILROAD BONDS	
\$ 50,000	Ann Arbor R. R. Co. 1st Mtge. $4\%$ , 1995.....	\$ 36,000.00
20,000	Atlantic & Danville Ry. Co. 1st Mtge. $4\%$ , 1948.....	8,000.00



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	MARKET VALUE
\$ 50,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge., Ser. "A" 4%, 1959.....	\$ 44,000.00
50,000	Boston & Maine R. R. Co. 1st Mtge. 5%, 1955.....	40,500.00
20,000	Great Northern Ry. Co. Gen. Mtge. Ser. "C" 5%, 1973.....	20,800.00
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mtge. Ser. "A", 5%, 1957.....	24,300.00
20,000	Ill. Cent. R. R. Co. & Chic., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	14,400.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938....	6,600.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	4,800.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	2,000.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	17,000.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013..	16,000.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	41,000.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	12,600.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	19,800.00
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	9,000.00
20,000	Southern Pacific Co. Central Pacific Stock Collateral 4%, 1949....	16,000.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	49,500.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	18,000.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	7,500.00
\$ 690,000		\$ 407,800.00

## PUBLIC UTILITY BONDS

\$ 50,000	Standard Gas & Elec. Co. of Delaware Deb. Series "A" 6%, 1951..	\$ 32,250.00
50,000	Western Union Telegraph 5%, 1951.....	52,000.00
\$ 100,000		\$ 84,250.00

## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 30,000.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	10,200.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	22,000.00
500 Shares	Chicago & North Western Railway Co. Common.....	1,500.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5)..	2,000.00
500 Shares	Great Northern Railway Co. \$4 Non-Cum. Pfd.....	17,000.00

## NEW YORK CASUALTY COMPANY—Continued

### RAILROAD STOCKS—Continued

	MARKET VALUE
500 Shares Illinois Central R. R. Co. Common.....	\$ 10,500.00
500 Shares Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	7,500.00
500 Shares Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd.....	2,000.00
650 Shares New York Central R. R. Co. Common.....	18,850.00
500 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Pfd.....	4,500.00
500 Shares Norfolk & Western Railway Co. Common.....	104,500.00
500 Shares Northern Pacific Railway Co. Common.....	12,000.00
600 Shares Pennsylvania R. R. Co.....	18,600.00
500 Shares St. Louis-San Francisco Railway Co. Common.....	500.00
500 Shares Southern Pacific Co. Common.....	12,000.00
500 Shares Southern Railway Co. Common.....	7,000.00
500 Shares Union Pacific Railway Co. Common.....	54,000.00
	<hr/> \$ 334,650.00

### PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. \$6 Cum. Pfd.....	\$ 22,000.00
500 Shares American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd.....	47,000.00
1,100 Shares Consolidated Gas Co. of N. Y. Common.....	35,200.00
200 Shares Electric Bond & Share Co. \$5 Cum. Pfd.....	13,600.00
200 Shares Electric Power & Light Co. \$6 Cum. Pfd.....	6,000.00
500 Shares Electric Power & Light Co. Common.....	3,500.00
500 Shares Federal Light & Traction Co. \$6 Cum. Pfd.....	41,500.00
500 Shares North American Co. \$3 Cum. Pfd.....	27,500.00
500 Shares Standard Gas & Electric Co. \$4 Cum. Pfd.....	5,000.00
600 Shares United Gas Improvement Co. Common.....	10,800.00
	<hr/> \$ 212,100.00

### BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 8,890.00
500 Shares Chase National Bank of The City of New York.....	21,500.00
10 Shares First National Bank of the City of New York.....	20,900.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	20,600.00
65 Shares Guaranty Trust Co. of the City of New York.....	20,150.00
1,750 Shares Manhattan Co., New York, N. Y.....	56,000.00
1,750 Shares New York Title and Mortgage Corp.....	0.00
	<hr/> \$ 148,040.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

	MARKET VALUE
50 Shares Amerex Holding Corp.....	\$ 650.00
500 Shares American Smelting & Refining Co., Common.....	30,500.00
500 Shares Anaconda Copper Mining Co.....	14,500.00
500 Shares Eastman Kodak Co., Common.....	78,000.00
500 Shares Kennecott Copper Co.....	14,500.00
53 Shares Mission Corp.....	954.00
500 Shares Pullman, Inc.....	18,500.00
1,000 Shares Standard Oil Co. of New Jersey.....	52,000.00
1,000 Shares Socony-Vacuum Oil Co., Inc.....	14,000.00
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	\$ 223,604.00

PAR  
VALUE

## RECAPITULATION

\$ 728,450 Mortgage Loans.....	\$ 728,450.00
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\$ 426,550 U. S. Government Bonds.....	\$ 442,520.00
250,000 State Bonds.....	256,750.00
70,000 Municipal Bonds.....	70,900.00
690,000 Railroad Bonds.....	407,800.00
100,000 Public Utility Bonds.....	84,250.00
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\$ 1,536,550 Total of Bonds.....	\$1,262,220.00
 Railroad Stocks.....	 \$ 334,650.00
Public Utility Stocks.....	212,100.00
Bank and Trust Company Stocks.....	148,040.00
Miscellaneous Stocks.....	223,604.00
 Total of Stocks.....	 \$ 918,394.00
 GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY.....	 \$2,909,064.00
 Difference between amortized values and market values of amortizable bonds.....	 14,930.27
 Total as per Financial Statement.....	 \$2,923,994.27

NOTE: Market values shown are those established by the Insurance Department of the State of New York.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	MARKET VALUE
\$ 25,000.00	Dominion of Canada Conversion Loan, 4½%, 1949/59.....	\$ 26,750.00
105,000.00	Dominion of Canada 3%, 1955 or earlier.....	101,850.00
10,000.00	Dominion of Canada 1931 National Service Loan, 5%, 1941.....	10,975.00
46,000.00	Dominion of Canada 3½%, 1949 or earlier.....	46,575.00
25,000.00	Canadian National Ry. Gtd. by Dom. of Can., 5%, 1969 or earlier..	28,125.00
5,000.00	Canadian National Ry. Gtd. by Dom. of Canada, 4½%, 1956.....	5,487.50
20,000.00	Canadian National Ry. Gtd. by Dom. of Canada, 3%, 1944.....	20,000.00
5,000.00	Canadian Natl. Ry. Equip. Tr., Ser. "K" Gtd. by Dom. of Can. 5%, 1939	5,300.00
13,000.00	Dom. of Canada fully subsidizing St. John Dry Dock & Shipbuilding Co., 4%, 1952.....	13,000.00
5,000.00	Province of Alberta, 4½%, 1956.....	4,450.00
10,000.00	Province of New Brunswick, 5%, 1959.....	11,300.00
10,000.00	Province of New Brunswick, 3%, 1939.....	10,050.00
5,000.00	Province of Nova Scotia, 5%, 1960.....	5,700.00
20,000.00	Province of Nova Scotia, 3%, 1947.....	19,350.00
10,000.00	Province of Nova Scotia, 4½%, 1961.....	10,875.00
25,000.00	Province of Ontario, 5%, 1959.....	28,625.00
4,000.00	Province of Ontario, 4½%, 1944.....	4,300.00
25,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 4%, 1957	25,625.00
10,000.00	T. & N. O. Railway Commission Gtd. by Prov. of Ont., 4%, 1965..	10,100.00
5,000.00	Province of Saskatchewan, 6%, 1936.....	4,975.00
25,000.00	Kingdom of Norway External Loan, 5%, 1933/63.....	25,500.00
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\$408,000.00		\$419,162.50
	MUNICIPAL BONDS	
\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.....	\$ 9,900.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.....	1,900.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942.....	870.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	1,970.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,000.00
973.33	City of Calgary, Alberta, 4½%, 1941.....	846.80
2,433.32	City of Calgary, Alberta, 4½%, 1942.....	2,117.00
2,433.33	City of Calgary, Alberta, 5%, 1943.....	2,190.00
10,000.00	City of Edmonton, Alberta, 5½%, 1945.....	8,400.00
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	1,880.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.....	3,720.00
5,000.00	City of Galt, Ontario, 5%, 1937.....	5,050.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 5,000.00	City of Galt, Ontario, 5½%, 1936.....	\$ 5,012.50
5,000.00	City of Halifax, Nova Scotia, 5%, 1961.....	5,600.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	1,946.66
4,000.00	City of Hamilton, Ontario, 5%, 1938.....	4,088.00
6,000.00	City of Hamilton, Ontario, 5%, 1939.....	6,132.00
10,000.00	City of Kitchener, Ontario, 4½%, 1937.....	10,037.50
10,000.00	Montreal Metropolitan Commission, 5%, 1966.....	10,550.00
10,000.00	City of Montreal, Que., 3½%, 1944.....	9,950.00
10,000.00	City of Montreal, Que., 4%, 1945.....	10,150.00
14,163.22	City of Niagara Falls, Ont., 5½%, 1934 to 1938.....	9,206.10
10,000.00	City of North Bay, Ont., 5%, 1938 to 1941.....	9,300.00
2,000.00	City of North Bay, Ont., 5%, 1942-43.....	1,860.00
2,000.00	City of Oshawa, Ont., 5½%, 1946.....	1,760.00
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	4,400.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,570.00
10,000.00	City of Peterborough, Ontario, 4¼%, 1939.....	10,175.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,030.00
2,000.00	City of Port Arthur, Ontario, 5%, 1937.....	2,010.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	4,600.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951.....	1,425.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	3,900.00
5,000.00	City of St. John, N. B., 4½%, 1971.....	5,225.00
10,000.00	City and County of St. John, N. B., 4½%, 1971.....	10,450.00
5,000.00	City of Sarnia, Ontario, 6%, 1939.....	5,100.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	14,625.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,110.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952.....	5,802.50
15,000.00	City of Toronto, Ontario, 5%, 1945.....	16,500.00
14,000.00	City of Toronto, Ontario, 4½%, 1948.....	15,050.00
13,000.00	City of Toronto, Ontario, 5%, 1953.....	14,560.00
10,000.00	Toronto Harbor Commissioners Gtd. by City of Toronto, 4½%, 1953 or earlier.....	10,600.00
9,733.33	City of Victoria, British Columbia, 4%, 1936.....	9,733.33
15,000.00	City of Victoria, British Columbia, 5½%, 1941.....	14,700.00
1,000.00	City of Victoria, British Columbia, 5½%, 1941.....	980.00
1,000.00	City of Victoria, British Columbia, 5½%, 1945.....	970.00
2,000.00	City of Welland, Ontario, 4½%, 1939.....	1,940.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	MARKET VALUE
\$ 3,000.00	City of Winnipeg, Manitoba, 4½%, 1950.....	\$ 3,015.00
1,703.33	City of Winnipeg, Manitoba, Reg'd Stock, 4½%, 1943/63.....	1,703.33
9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946 to 1949....	5,181.38
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,140.00
3,000.00	Town of Collingwood, Ont., Gtd. by County of Simcoe, Ont., 5%, 1944	2,550.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943-44.....	6,240.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945.....	4,160.00
2,000.00	Town of Dundas, Ontario, 5%, 1948.....	1,900.00
8,000.00	Town of Dundas, Ontario, 5%, 1949.....	7,600.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937 to 1941.....	1,839.68
6,000.00	Town of Sandwich, Ontario, 5½%, 1945.....	1,440.00
6,693.58	Town of Sandwich, Ontario, 5½%, 1940 to 1942.....	1,606.46
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	18,105.00
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	4,750.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3½%, 1937.....	1,250.00
1,703.67	Town of Watrous, Saskatchewan, 5½%, 1933 to 1956.....	1,362.94
6,145.49	Town of Weston, Ontario, 5%, 1947.....	3,687.29
3,311.27	Village of Madoc, Ontario, 5%, 1936 to 1939, 1947.....	3,311.27
10,000.00	Township of Barton, Ontario, 5%, 1944.....	10,050.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49.....	2,450.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	2,400.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963.....	1,540.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959.....	6,650.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956.....	225.00
5,000.00	Township of Scarborough, Ontario, 5%, 1942.....	2,150.00
10,000.00	Township of Scarborough, Ontario, 5%, 1940.....	4,300.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960.....	1,890.00
5,000.00	Greater Winnipeg Water District, 6%, 1940.....	5,150.00
1,000.00	County of Carleton, Ontario, 6%, 1939.....	1,055.00
4,000.00	County of Carleton, Ontario, 6%, 1941-44.....	4,320.00
10,000.00	County of Essex, Ontario, 5½%, 1936.....	10,000.00
4,000.00	County of Haldimand, Ontario, 5%, 1936-37.....	4,030.00
9,000.00	United Counties of Lennox & Addington, 4½%, 1936-39.....	9,045.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942.....	7,560.00
<hr/> \$484,981.96		<hr/> \$439,549.74

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS	MARKET VALUE
\$ 1,000.00	Brandon, Manitoba, School District No. 129, 4%, 1936.....	\$ 990.00
5,000.00	City of Hamilton, Ont., Roman Catholic Separate School, 5%, 1949..	5,200.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943.....	7,175.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-52.....	5,760.00
1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953.....	960.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953 to 1960.....	10,708.41
5,000.00	Roman Catholic School, Toronto, 5%, 1945.....	5,237.50
<hr/>		
\$ 35,346.29		\$ 36,030.91

## MISCELLANEOUS BONDS

\$ 20,000.00	Canada Permanent Mortgage Corp., Toronto, 3%, 1937.....	\$ 20,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ont., 3¾%, 1937.....	25,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ont., 4%, 1938.....	20,000.00
10,000.00	Abitibi Power & Paper Co., Ltd., 1st Mtge. Ser. A, 5%, 1953 or earlier	3,475.00
10,000.00	British America Oil Co., Ltd., S. F., Deb., 4%, 1945.....	10,225.00
10,000.00	British Columbia Tel. Co., Ltd., 1st Mtge. Series A, 5%, 1960.....	10,600.00
10,000.00	Canada Cement Co., Ltd., 1st Mtge. S. F. Ser. A, 5½%, 1947 or earlier	10,400.00
5,000.00	Canadian International Paper Co., 1st Mtge., 6%, 1949 or earlier...	4,025.00
5,000.00	Consolidated Paper Corp., Ltd., 1st Mtge. (5½% after 1936) 1961...	1,150.00
25,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 5%, 1949 or earlier	25,000.00
35,000.00	Gatineau Power Co., 1st Mortgage S. F., 5%, 1956 or earlier.....	32,200.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mtge. S. F., 5½%, 1949 or earlier.....	3,900.00
20,000.00	Massey-Harris Co., Ltd., Toronto, S. F. Deb., 5%, 1947 or earlier...	17,600.00
5,000.00	Quebec Power Co., 1st Mtge. Coll. Tr. Ser. A, 5%, 1968 or earlier...	5,275.00
10,000.00	Simpson's, Ltd., 1st Mtge. Coll. Tr. Series A, 6%, 1949 or earlier...	10,375.00
5,000.00	United Gas & Fuel Co. of Hamilton, Ltd., 1st Mtge. S. F., 5½%, 1948 or earlier.....	4,800.00
5,000.00	United Grain Growers, Ltd., 1st Mtge. S. F. Series A, 5%, 1948 or earlier.....	4,875.00
5,000.00	West Kootenay Power & Light Co., Ltd., 1st Mtge. Series A, Gtd. by The Consolidated Mining & Smelting Co. of Canada, Ltd., 5%, 1956 or earlier.....	5,300.00
<hr/>		
\$235,000.00		\$214,200.00



# THE CANADIAN SURETY COMPANY—Continued

STOCKS		MARKET VALUE
100 Shares International Milling Co. (Cumulative Sinking Fund, First Preferred) 5%, par value \$100.00.....		\$10,450.00
50 Shares Goodyear Tire & Rubber Co. of Canada, Ltd. (Cumulative Redeemable Preferred) 5%, par value \$50.00.....		2,775.00
200 Shares Canadian Pacific Railway Stock (Common—par value \$25.00).....		2,350.00
50 Shares Consolidated Paper Corp., Ltd. (non assessable, no par value).....		50.00
		<u>\$15,625.00</u>

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	
\$ 10,000.00	Canada Permanent Trust Company, Toronto, 4%, 1939.....	\$10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 4%, 1940.....	5,000.00
10,000.00	Toronto General Trusts Corp., Toronto, 4%, 1939.....	10,000.00
5,000.00	Trusts and Guarantee Company, 4¾%, 1939.....	5,000.00
<u>\$ 30,000.00</u>		<u>\$30,000.00</u>

RECAPITULATION		
\$ 408,000.00	Government Bonds.....	\$ 419,162.50
484,981.96	Municipal Bonds.....	439,549.74
35,346.29	School Bonds.....	36,030.91
235,000.00	Miscellaneous Bonds.....	214,200.00
<u>\$1,163,328.25</u>	TOTAL OF BONDS.....	<u>\$1,108,943.15</u>
	Stocks.....	15,625.00
	Deposits with Trust Companies for Investment.....	30,000.00
	GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....	<u>\$1,154,568.15</u>

NOTE: Securities are stated at actual market value as of December 31, 1935.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. 5½%, 1949.....	\$ 10,137.50
10,000	American Power & Light Company Deb. 6%, 2016.....	9,262.50
20,000	American Telephone & Telegraph Company Deb. 5%, 1965.....	22,600.00
10,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	6,150.00
15,000	Brooklyn-Manhattan Transit Corporation Secured S. F. Series "A" 6%, 1968.....	16,106.25
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975..	3,850.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" 4¾%, 1949.....	2,350.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	775.00
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	6,950.00
88,000	Mexican Federal Government Exterior 5%, 1945.....	7,480.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955....	8,800.00
10,000	Ohio Edison 1st & Cons. 5%, 1960.....	10,650.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A" 5½%, 1952.....	10,300.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" 4½%, 1978 (Ctf. of Deposit)	1,325.00
20,000	Southern Pacific Company 4½%, 1969.....	15,400.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	9,800.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	8,100.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" 5%, 1976.....	3,025.00
P300,000	Mexican Federal Government Interior Consol. 3%, 1925.....	6,250.00
1,100	Mexican Federal Government Interior Debt 5%.....	21.38
106,800	United Shoe & Leather Company 5%, 1941.....	16,316.67
STOCKS		
100	Shares American Superpower 1st Preferred.....	8,200.00
84	Shares Commonwealth & Southern Corporation Preferred.....	5,880.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	7,800.00
1	Share Mexico City Country Club.....	833.33
200	Shares Banco Nac. Hipotecario Urbano y de Obras Públicas.....	5,555.56
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		\$203,918.19

NOTE: Bonds and stocks are valued at actual market value as of December 31, 1955.

## SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

### BONDS

PAR VALUE	MARKET VALUE
\$50,000 New England Power Association Deb. 5%, 1948.....	\$ 42,500.00

### STOCKS

800 Shares Amnyco Printing & Supply Corporation.....	40,000.00
100 Shares Engineers Public Service Co. Cum. Convertible Preferred.....	4,700.00
1,000 Shares International Paper & Power Co. Cumulative Preferred.....	26,625.00
600 Shares Lehigh Valley Coal Corporation Preferred.....	7,800.00
9 Shares Title Guaranty & Surety Company.....	90.00
200 Shares United Corporation Common.....	1,425.00
	\$123,140.00

NOTE: Securities are valued at actual market value as of December 31, 1935, except investment in Amnyco Printing & Supply Corp., which is stated at par.



REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1936



## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

R. R. BROWN  
*Vice-Chairman*

A. F. LAFRENTZ  
*President*

RICHARD DEMING  
*First Vice-President*

### *Vice-Presidents*

W. M. TOMLINS, JR.  
E. F. WATSON  
F. J. PARRY  
LEWIS H. PARRY  
M. L. JENKS  
D. H. COOK

W. E. MCKELL  
G. L. NAUGHT  
B. J. MCGINN  
L. S. MOORE  
R. B. HAMILTON  
H. P. DUNHAM

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

C. H. HALL  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT  
JOHN ANDERSON  
R. R. BROWN  
NEWCOMB CARLTON  
FANNIN W. CHARKE  
WILBUR L. CUMMINGS  
RICHARD DEMING  
W. N. DYKMAN  
ARTEMUS L. GATES  
F. COIT JOHNSON  
JOHN L. KEMMERER  
F. W. LAFRENTZ  
A. F. LAFRENTZ

JAMES T. LEE  
EDWARD E. LOOMIS  
L. F. LOREE  
JEREMIAH T. MAHONEY  
W. E. MCKELL  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
ALBERT H. WIGGIN  
BRONSON WINTHROP

# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## RESOURCES

	1936	1935	Increase	Decrease
Real Estate.....	\$10,000,000.00	\$10,000,000.00		
*Bonds.....	5,830,378.71	5,365,268.06	\$ 465,110.65	
*Stocks.....	5,940,938.57	5,099,493.97	841,444.60	
Premiums in Course of Collec- tion (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due).....	1,473,576.54	1,430,311.91	43,264.63	
Cash in Banks and Offices.....	2,963,775.64	2,140,852.21	822,923.43	
Reinsurance and Other Accounts Receivable.....	119,198.77	114,601.65	4,597.12	
Interest and Rents Due and Accrued.....	56,164.39	58,966.04		\$ 2,801.65
	<u>\$26,384,032.62</u>	<u>\$24,209,493.84</u>	<u>\$2,174,538.78</u>	

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits..	5,120,992.95	4,051,676.24	\$1,069,316.71	
Reserve for Unearned Premiums.....	5,795,443.60	5,680,131.89	115,311.71	
Reserve for Reported Losses...	3,931,401.83	3,863,065.44	68,336.39	
Reserve for Unreported Losses:				
Allocated to Specific Lines..	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York..	237,795.97	225,371.96	12,424.01	
Unallocated (Voluntary).....	180,526.93	206,273.89		\$25,746.96
Reserve for Expenses, Taxes and other Liabilities.....	1,137,873.84	1,020,438.36	117,435.48	
Reserve for Depreciation— H. O. Building.....	1,000,000.00	200,000.00	800,000.00	
Dividend Payable— January 2, 1937.....	374,997.50	299,998.00	74,999.50	
Contingency Reserve.....		57,538.06		57,538.06
	<u>\$26,384,032.62</u>	<u>\$24,209,493.84</u>	<u>\$2,174,538.78</u>	

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are stated at \$1,229,956.78, December 31, 1936, and \$618,718.29, December 31, 1935, less than their book value.

January 19, 1937.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1936 (in the fifty-third year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$12,343,867.31	(Increase \$301,613.63)
Less Reinsurance Ceded.....	2,875,194.65	(Decrease 84,432.77)
Net Premiums Written.....	9,468,672.66	(Increase 386,046.40)
Increase in Unearned Premium Reserve.....	115,311.71	(Increase 184,172.32)
Earned Premiums.....	9,353,360.95	(Increase 201,874.08)
From Home Office Building— Rents Less Operating Cost.....	560,373.52	(Decrease 8,066.75)
From Securities—Interest and Dividends.....	348,786.16	(Increase 9,134.96)
TOTAL INCOME.....	<u>\$10,262,520.63</u>	(Increase 202,942.29)
OUTGO:		
For Operating Expenses Paid.....	\$ 3,534,460.06	(Increase 79,266.61)
For Claim Expenses Paid.....	662,373.35	(Decrease 32,083.82)
For Investment Expenses.....	30,617.84	(Decrease 2,112.33)
For Commissions Paid.....	1,570,008.64	(Increase 122,455.74)
For Taxes Paid.....	466,032.92	(Increase 75,743.96)
For Losses Incurred.....	\$3,054,506.07	(Decrease 351,325.20)
Less Cash Salvage.....	770,196.88	(Decrease 49,921.56)
Net Losses Incurred.....	2,284,309.19	(Decrease 301,403.64)
TOTAL OUTGO.....	<u>\$ 8,547,802.00</u>	(Decrease 58,133.48)

EXCESS OF INCOME OVER OUTGO.....\$1,714,718.63  
(Increase of \$261,075.77)

INCREASE IN:

Reserve for Expenses and Taxes.....	\$ 112,710.78
Reserve for Depreciation of Building...	100,000.00
	<u>212,710.78</u>

DECREASE IN:

Reserve for Overdue Premiums.....	30,000.00	182,710.78
Agents' Balances Charged Off.....	11,720.10	194,430.88
Investment Income and Underwriting Profit Less Reserves (Carried forward)...		\$1,520,287.75

[ page three ]



Brought Forward .....			\$1,520,287.75
Add:			
Transfer from Reserve for Depreciation of Securities Unsold	\$1,002,507.95		
Less—Loss from sale of Securities .....	\$ 2,061.14		
Appreciation taken prior to January 1, 1936, on securities sold during this period .....	1,422.85	3,483.99	999,023.96
			2,519,311.71
Deduct:			
Transfer to Reserve for Depreciation of Building (Special) ..	700,000.00		
Dividends Declared .....	750,000.00		
Less dividends on fractional scrip certificates ..	5.00	749,995.00	1,449,995.00
Added to Surplus .....			1,069,316.71
Surplus, January 1, 1936 .....			4,051,676.24
Surplus, December 31, 1936 .....			\$5,120,992.95

Summarizing these figures it is found—

That the Earnings arose as follows:

From Investments after providing \$100,000.00 for depreciation of Home Office Building .....	\$ 778,541.84
From Underwriting after all Reserves, including provision for Federal Income Tax .....	741,745.91

A total of .....	1,520,287.75
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That Appreciation of Securities Unsold less loss from sale of securities amounted to .....	999,023.96
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Making a grand total of .....	2,519,311.71
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Which was disposed of in the following manner:

Dividends paid and declared to Stockholders .....	749,995.00
Added to Reserve for Depreciation of Building .....	700,000.00
Added to Surplus and Undivided Profits .....	1,069,316.71

In comparison with 1935 Net Premiums Written increased \$386,046.40, or 4.3%, resulting from an increase in writings of \$301,613.63 and a decrease in Reinsurance Ceded of \$84,432.77. Earned Premiums increased \$201,874.08, or 2.2%.

The decrease in Net Income from the Home Office Building of \$8,066.75 was the result of a decrease in Gross Rents of \$12,866.75 which was partially offset by a decrease in Repairs, Maintenance and Taxes of \$4,800.

Interest earned amounted to \$157,710.64 and Dividends received to \$191,075.52 including dividends from subsidiary companies, a total of \$348,786.16. There was received from subsidiary companies dividends amounting to \$62,671.25 compared with \$36,803.75 in 1935.

The principal item accounting for the increase in Operating Expenses Paid is an increase in salaries of Officers and employees amounting to \$74,616.08. Due to the continued improvement in our loss experience Claim Expenses Paid declined \$32,083.82, or 4.6%. The increase in Net Premiums Written resulted in the increase in Commissions Paid of \$122,455.74.

Taxes Paid advanced \$75,743.96, or 19.4%. Several factors contributed to this increase—First: The tax on Premiums in New York State was advanced from 1% payable annually in the subsequent year to 2% payable quarterly in the current year, with the result that the Tax on 1935 Premiums as well as the Tax on Premiums for three-quarters of the year 1936 were paid in the current year. Second: A number of States enacted Social Security legislation with the result that the tax paid on the payroll for unemployment increased \$9,353.59. It should be borne in mind that the Federal Old Age tax became effective January 1, 1937, which, together with the Federal and State Unemployment taxes, will progressively increase our future taxes. It is estimated that these taxes for 1937 will amount to approximately \$85,000. Third: The Insurance Department of the State of New York made its Triennial Examination of the Company's condition as of December 31, 1935. The fee charged by the Department amounting to \$12,831.96 is included in Taxes Paid which item is a non-recurring charge for the next three years.

Net Losses Incurred declined \$301,403.64, or 11.7%, brought about by a decrease in Losses Incurred of \$351,325.20 and a decrease in Cash Salvages Received of \$49,921.56. As a matter of fact the over-all loss ratio, i.e., Net Incurred Losses to Earned Premiums, is only 24.5%. This is abnormally low. It is therefore evident that such a favorable experience cannot be expected to continue and that Losses Incurred will rise to higher levels.

\$700,000 in addition to the regular annual depreciation of \$100,000 was added to the Reserve for Depreciation of the Company's Home Office Building.

By reason of the appreciation in the value of Securities Unsold there was transferred from Reserve for Depreciation of Securities \$1,001,085.10. Losses exceeded the profits from the sale of securities during the year, based on cost, by \$2,061.14.

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Total Resources of the Company amounted to \$26,384,932.62 as of December 31, 1936, compared with \$24,209,493.84 as of December 31, 1935—an increase of \$2,174,538.78.

The Company's Home Office Building is unencumbered and was appraised June 5, 1933, by the Insurance Department of the State of New York at \$10,000,000. It is the value used by the Insurance Department in its Report on Examination of the Condition of the Company as of December 31, 1935. Including the space occupied by the Company the building at the present time is 93% rented.

As of December 31, 1935, there was reserved for depreciation of Building \$200,000. As heretofore stated this reserve has been increased during the year \$800,000 bringing the reserve to \$1,000,000 as of December 31, 1936.

Securities are stated at \$11,771,317.28 and are valued in accordance with regulations of the New York State Insurance Department—amortizable bonds at amortized values, other bonds and stocks at market values established by the Department, except stocks of subsidiary companies which are stated at \$1,229,956.78 less than their book value. The market value of amortizable bonds is \$67,066.29 greater than their amortized value.

It has been the policy of the Company to invest Surplus Funds in short term United States Treasury Notes and short term Municipal bonds. Investments made during the year have been in this class of security. In view of the continued low yield on long term high-grade bonds, there is no thought of any change in this policy in the immediate future.

Premiums and Agents' Balances in course of collection as of December 31, 1936, amounted to \$1,961,831.17. This represents accounts considered collectible, all doubtful balances having been eliminated.

Reinsurance Payable of \$324,601.13 is the amount due other companies on bonds and policies reinsured.

Premiums and Agents' Balances more than 90 days due are disallowed by the Insurance Department as an asset irrespective of the collectibility of the account. The aggregate of such balances as of December 31, 1936, is \$163,653.50 which amount has been deducted from the Net Balances in course of collection.

Cash in Banks and Offices amounted to \$2,963,775.64 as of December 31, 1936, which is \$822,923.43 greater than the amount on deposit and on hand as of December 31, 1935.

Due to the increase in premium volume, Reserve for Unearned Premiums was increased \$115,311.71, the Reserve as of December 31, 1936, being stated at \$5,795,443.60. This Reserve is calculated on a 50% basis for annual premiums and on a pro rata basis for term premiums in force. As the Company is required to maintain full reserves on reinsurance premiums ceded to Companies not qualified to do business in the State of New York and as our subsidiary companies in Canada and Mexico carry Reserves on Reinsurance Cessions from us, there is a duplication of reserves to the extent of approximately \$200,000.

The Reserve for Reported Losses amounting to \$3,931,401.83 is deemed sufficient to discharge the Company's liability for all known losses reported before but unadjusted at the close of the year.

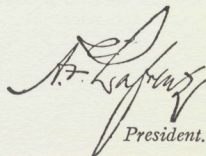
To provide for unknown and unreported losses, an additional reserve is provided of which \$1,105,000 is allocated to specific lines and \$237,795.97 for losses due from companies not authorized in the State of New York. Of the latter amount \$110,260.74 is due from our Canadian and Mexican companies which amount is also carried on the books of these companies as a liability resulting in further duplication of Reserves to this extent.

Consolidated Results of Operations of our subsidiary companies, the New York Casualty Company, Canadian Surety Company, Compania Mexicana de Garantias, S. A., and Amsuco Securities Company were as follows:

Investment Income and Underwriting Profit less Reserves. . . . .	\$350,728.06
Appreciation of Securities Unsold less Loss from Sale of Securities. . . .	467,894.74
<b>A Total of. . . . .</b>	<b>\$818,622.80</b>
which was disposed of as follows:	
Dividends Paid. . . . .	\$ 66,250.00
Added to Special Reserves. . . . .	\$ 83,739.62
Added to Surplus. . . . .	\$668,633.18

The able and efficient manner in which our entire staff and Agency force have carried into effect the administrative policies of the Management is a source of real gratification to me. I commend them. To the members of this Board and of its various committees I wish to express my appreciation of their continued aid and advice.

Respectfully,

  
President.



## GENERAL INFORMATION

There were presented to us during 1936:

		Comparison with Preceding Year
Fidelity Claims.....	2,761	Decrease of 425
Official Claims.....	706	Increase of 119
Surety Claims.....	610	Decrease of 48
Burglary Claims.....	462	Decrease of 84
Forgery Claims.....	291	Decrease of 17
Plate Glass Claims.....	1,487	Increase of 128
Other Casualty Claims.....	12,468	Increase of 1,372
Total.....	18,785	Increase of 1,045

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{	Year 1936 . . . 18.65
		Entire Period . 29.54
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{	Year 1936 . . . 11.22
		Entire Period . 34.03
Plate Glass Claims Paid to Net Premiums . . . . .	{	Year 1936 . . . 37.79
		Entire Period . 33.77
Other Casualty Claims Paid to Net Premiums . . . . .	{	Year 1936 . . . 41.36
		Entire Period . 39.29

The Company has an agency organization consisting of 42 Branch and Service Offices on a salary basis, and 10,577 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of.....	\$213,436,250.78
Its Net Paid Losses were.....	64,745,625.54
And Its Expenses were.....	129,826,488.86
Leaving an excess from underwriting, subject to Reserves, of.....	18,864,136.38
Which is equivalent to 8.84% of the Net Premium Income.	
Income from Investments.....	23,129,781.21
Our Stockholders have received in Cash Dividends.....	\$ 22,212,362.50

[ page seven ]



AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1936

RESOURCES

Real Estate.....			\$10,172,755.62
*Bonds, Stocks and Debentures.....			13,878,194.85
Premiums and Agents' Balances in Course of Collection.....	\$2,651,876.51		
Less Reinsurance Payable.....	376,291.63	\$2,275,584.88	
Less Premiums and Agents' Balances more than Ninety days due.....		225,374.14	2,050,210.74
Cash.....			3,886,726.95
Real Estate Mortgage and other Secured Loans.....			981,358.05
Reinsurance and other Accounts Receivable.....			211,578.39
Interest and Rents Due and Accrued.....			97,839.31
			<u>\$31,278,663.91</u>

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share).....		\$ 7,500,000.00	
Surplus and Undivided Profits.....		6,350,949.72	
Legal Fund Provision—Mexico.....		46,296.29	
Minority Interest in Subsidiary Companies.....		131,472.64	
Reserve for Unearned Premiums.....		7,443,437.88	
Reserve for Reported Losses.....		5,074,563.29	
Reserve for Unreported Losses:			
Allocated to Specific Lines.....	\$1,445,000.00		
Allocated to Losses due from Companies not authorized in the State of New York.....	237,795.97		
Unallocated (Voluntary).....	202,884.58		1,885,680.55
Reserve for Expenses, Taxes and Other Liabilities.....			1,446,171.86
Reserve for Depreciation—Home Office Building.....			1,000,000.00
Dividend Payable—January 2, 1937.....			374,997.50
Contingency Reserve—Canadian.....			25,094.18
			<u>\$31,278,663.91</u>

\*On the basis of December 31, 1936, market quotations, the value of securities would be increased to \$13,974,010.35. Securities carried at \$1,851,412.79 in the above statement and cash amounting to \$52,348.57 are deposited as required by law.

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1936

## RESOURCES

Real Estate . . . . .			\$10,000,000.00
(Home Office Premises, unencumbered, appraised by New York Insurance Department June 5, 1933)			
*Securities:			
Bonds . . . . .	\$5,830,378.71		
Preferred Stocks . . . . .	1,976,248.00		
Common Stocks . . . . .	3,964,690.57	11,771,317.28	
Premiums and Agents' Balances in Course of Collection . . . . .	\$1,961,831.17		
Less Reinsurance Payable . . . . .	324,601.13	1,637,230.04	
Less Premiums and Agents' Balances more than Ninety days due . . . . .		163,653.50	1,473,576.54
Cash in Banks and Offices . . . . .			2,963,775.64
Reinsurance and Other Accounts Receivable . . . . .			119,198.77
Interest and Rents Due and Accrued . . . . .			56,164.39
			<u>\$26,384,032.62</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .		\$ 7,500,000.00
Surplus and Undivided Profits . . . . .		5,120,992.95
Reserve for Unearned Premiums . . . . .		5,795,443.60
Reserve for Reported Losses . . . . .		3,931,401.83
Reserve for Unreported Losses:		
Allocated to Specific Lines . . . . .	\$1,105,000.00	
Allocated to Losses due from Companies not Authorized in the State of New York . . . . .	237,795.97	
Unallocated (Voluntary) . . . . .	180,526.93	1,523,322.90
Reserve for Expenses, Taxes and Other Liabilities . . . . .		1,137,873.84
Reserve for Depreciation—Home Office Building . . . . .		1,000,000.00
Dividend Payable—January 2, 1937 . . . . .		374,997.50
		<u>\$26,384,032.62</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are stated at \$1,229,956.78 less than their book value. The market value of amortizable bonds is \$67,066.29 greater than their amortized value.

Securities carried at \$1,057,080.87 in the above statement are deposited as required by law.

The revenue accounts of NEW YORK CASUALTY COMPANY for the period under review show:

view show:		Comparison with Preceding Year	
INCOME:			
From Premiums Written	\$2,885,591.08	(Increase	\$319,995.64)
Less Reinsurance Ceded	435,303.94	(Increase	73,752.39)
Net Premiums Written	2,450,287.14	(Increase	246,243.25)
Increase in Unearned Premium Reserve	95,623.78	(Increase	78,613.53)
Earned Premiums	2,354,663.36	(Increase	167,629.72)
From Rents, less Operating Costs	695.65	(Decrease	792.63)
From Securities—Interest and Dividends	121,211.39	(Increase	6,049.58)
TOTAL INCOME	<u>\$2,476,570.40</u>	(Increase	172,886.67)
OUTGO:			
For Operating Expenses Paid	\$ 503,842.13	(Increase	12,540.48)
For Claim Expenses Paid	183,400.57	(Decrease	20,785.39)
For Investment Expenses	8,271.56	(Increase	8.37)
For Commissions Paid	545,444.15	(Increase	41,034.82)
For Taxes Paid	77,832.85	(Increase	15,600.98)
For Losses Incurred	\$1,032,873.23	(Decrease	17,945.46)
Less Cash Salvage	60,788.90	(Increase	6,201.97)
Net Losses Incurred	972,084.33	(Decrease	24,147.43)
TOTAL OUTGO	<u>\$2,290,875.59</u>	(Increase	24,251.83)
EXCESS OF INCOME OVER OUTGO		\$185,694.81	
(Increase of \$148,634.84)			
INCREASE IN:			
Reserve for Expenses and Taxes	\$ 19,881.03		
Reserve for Overdue Premiums and other non-admitted Assets	551.80		
Special Claim Reserve	40,000.00	\$ 60,432.83	
Agents' Balances Charged Off		7,007.66	67,440.49
Investment Income and Underwriting Profit Less Reserves			118,254.32
Add:			
Transfer from Reserve for Depreciation of Securities Unsold		329,249.62	
Less Loss from Sale of Securities	11,374.20		
Depreciation taken prior to January 1, 1936, on securities sold during this period	5,366.50	6,007.70	323,241.92
			441,496.24
Deduct:			
Transfer to Voluntary Reserves			5,588.90
Added to Surplus			435,907.34
Surplus January 1, 1936			426,736.95
Surplus December 31, 1936			<u>\$862,644.29</u>



# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1936

## RESOURCES

Real Estate—Unencumbered . . . . .		\$	48,877.18
Real Estate Mortgage Loans . . . . .			744,410.00
*Securities:			
Bonds . . . . .	\$1,458,351.66		
Stocks . . . . .	1,178,155.00		2,636,506.66
Premiums and Agents' Balances in Course of Collection . . . . .	\$604,220.74		
Less Reinsurance Payable . . . . .	32,397.25	571,823.49	
Less Premiums and Agents' Balances more than Ninety days due . . . . .		52,141.84	519,681.65
Cash in Banks and Offices . . . . .			490,894.56
Reinsurance and Other Accounts Receivable . . . . .			33,094.03
Interest Due and Accrued . . . . .			22,295.99
			<u>\$4,495,760.07</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share) . . . . .		\$1,000,000.00
Surplus and Undivided Profits . . . . .		862,644.29
Reserve for Unearned Premiums . . . . .		1,227,981.41
Reserve for Reported Losses . . . . .		886,191.44
Reserve for Unreported Losses:		
Allocated to Specific Lines . . . . .	\$ 250,000.00	
Unallocated (Voluntary) . . . . .	22,357.65	272,357.65
Reserve for Expenses, Taxes and Other Liabilities . . . . .		246,585.28
		<u>\$4,495,760.07</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York. The market value of amortizable bonds is \$30,394.84 greater than their amortized value.

Securities carried at \$524,676.87 in the above statement are deposited as required by law.



The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison
INCOME:		with Preceding Year
From Premiums Written.....	\$627,481.55	(Increase \$41,521.04)
Less Reinsurance Ceded.....	104,173.96	(Increase 9,632.44)
Net Premiums Written.....	523,307.59	(Increase 31,888.60)
Increase in Unearned Premium Reserve.....	15,075.89	(Increase 9,695.73)
Earned Premiums.....	508,231.70	(Increase 22,192.87)
From Securities—Interest and Dividends.....	50,776.55	(Decrease 2,113.93)
TOTAL INCOME.....	<u>\$559,008.25</u>	(Increase 20,078.94)
OUTGO:		
For Operating Expenses Paid.....	\$168,796.02	(Increase 5,606.83)
For Claim Expenses Paid.....	7,237.86	(Decrease 21,673.78)
For Commissions Paid.....	118,708.70	(Increase 11,434.53)
For Taxes Paid.....	22,244.00	(Increase 6,055.99)
For Losses Incurred.....	\$142,982.20	(Decrease 28,566.29)
Less Cash Salvage.....	38,761.91	(Increase 5,459.72)
Net Losses Incurred.....	104,220.29	(Decrease 34,026.01)
TOTAL OUTGO.....	<u>\$421,206.87</u>	(Decrease 32,602.44)
EXCESS OF INCOME OVER OUTGO.....		\$137,801.38
(Increase of \$52,681.38)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 14,560.67	
DECREASE IN:		
Reserve for Overdue Premiums.....	4,900.19	9,660.48
Investment Income and Underwriting Profit Less Reserves.....		128,140.90
Add:		
Transfer from Voluntary Special Reserve.....	25,000.00	
Transfer from Reserve for Depreciation of Securities		
Unsold.....	23,060.68	
Profit on Sale of Securities.....	16,675.39	64,736.07
		192,876.97
Deduct:		
Transfer to Reserve for Unreported Losses.....	43,000.00	
Dividends Paid.....	25,000.00	68,000.00
Added to Surplus.....		124,876.97
Surplus January 1, 1936.....		315,539.44
Surplus December 31, 1936.....		<u>\$440,416.41</u>

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1936

## RESOURCES

*Bonds, Stocks and Debentures. . . . .		\$1,314,559.84
Premiums and Agents' Balances in Course of		
Collection. . . . .	\$73,691.02	
Less Reinsurance Payable. . . . .	19,293.25	\$54,397.77
Less Premiums and Agents' Balances		
more than Ninety days due. . . . .	9,578.80	44,818.97
Cash in Banks and Offices. . . . .		82,678.40
Reinsurance Receivable. . . . .		48,157.69
Accrued Interest Receivable. . . . .		13,868.21
		<u>\$1,504,083.11</u>

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share). . . . .	\$ 500,000.00
Surplus and Undivided Profits. . . . .	440,416.41
Reserve for Unearned Premiums. . . . .	246,973.54
Reserve for Reported Losses. . . . .	189,724.16
Reserve for Unreported Losses. . . . .	65,000.00
Reserve for Expenses and Taxes. . . . .	36,874.82
*Contingency Reserve. . . . .	25,094.18
	<u>\$1,504,083.11</u>

\*Bonds, Stocks and Debentures are stated at values established by the Insurance Department of the Dominion of Canada. Market value of these securities is \$1,312,914.21. Contingency Reserve adjusts Insurance Department value to actual cost.

Securities carried at \$250,925.05 in the above statement are deposited as required by law.

The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$434,155.91	(Increase \$18,574.22)
Less Reinsurance Ceded.....	115,303.67	(Increase 6,214.20)
Net Premiums Written.....	318,852.24	(Increase 12,360.02)
Increase in Unearned Premium Reserve.....	27,615.24	(Decrease 1,185.23)
Earned Premiums.....	291,237.00	(Increase 13,545.25)
From Building—Rents Less Operating Cost.....	11,020.60	(Decrease 941.01)
From Securities—Interest and Dividends.....	26,471.31	(Decrease 4,716.84)
TOTAL INCOME.....	<u>\$328,728.91</u>	(Increase 7,887.40)
OUTGO:		
For Expenses and Taxes Paid.....	\$115,183.80	(Increase 18,206.71)
For Commissions Paid.....	23,432.27	(Increase 2,341.50)
For Losses Incurred.....	\$78,383.48	(Decrease 9,339.88)
Less Cash Salvage.....	24,308.85	(Decrease 2,417.30)
Net Losses Incurred.....	54,074.63	(Decrease 6,922.58)
TOTAL OUTGO.....	<u>\$192,690.70</u>	(Increase 13,625.63)
EXCESS OF INCOME OVER OUTGO.....		\$136,038.21
(Decrease of \$5,738.23)		
INCREASE IN:		
Reserve for Expenses and Taxes.....		1,779.72
Less Adjustment in Reducing to Dollars at 3.60.....		134,258.49
		37,958.31
Investment Income and Underwriting Profit Less Reserves.....		96,300.18
Add:		
Transfer from Reserve for Depreciation of Securities Unsold.....		26,304.25
		122,604.43
Deduct:		
Transfer to Special Reserve for Unreported Losses.....	\$ 25,000.00	
Reappraisal of Real Estate and Real Estate Mortgage		
Loans.....	35,150.72	
Dividends Paid.....	33,750.00	93,900.72
Added to Surplus.....		28,703.71
Surplus January 1, 1936.....		175,000.00
Surplus December 31, 1936.....		<u>\$203,703.71</u>

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COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1936

(Converted into United States Currency, in the ratio of 3.60 Mexican Pesos, to One United States Dollar, for Mexican items and in the ratio of Two Mexican Pesos, to One United States Dollar, for Dollar items)

RESOURCES

Real Estate—Unencumbered.....	\$123,878.44
Real Estate Mortgage Loans.....	110,443.42
*Bonds and Stocks (At Market Value).....	192,114.94
Premiums in Course of Collection.....	12,133.58
Cash in Banks and Office.....	290,184.41
Cash Deposits under Law.....	52,348.57
Reinsurance and other Accounts Receivable.....	2,009.03
Interest Due and Accrued.....	5,510.72
	<hr/>
	\$788,623.11

LIABILITIES

Capital Stock (5,000 Shares. Par Value \$50.00 per Share).....	\$250,000.00
Surplus and Undivided Profits.....	\$203,703.71
Legal Fund Provision.....	46,296.29
	<hr/>
Reserve for Unearned Premiums.....	173,039.33
Reserve for Reported Losses.....	67,245.86
Reserve for Unreported Losses.....	25,000.00
Reserve for Expenses, Taxes and Other Liabilities.....	23,337.92
	<hr/>
	\$788,623.11

\*Securities carried at \$18,730.00 in the above statement and Cash amounting to \$52,348.57, are deposited as required by law.



The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends. . . . .	\$ 11,750.06
From Other Sources. . . . .	19.60
TOTAL INCOME. . . . .	<u>\$ 11,769.66</u>

OUTGO:

For Expenses Paid. . . . .	37.10
For Taxes Paid. . . . .	2,199.90
TOTAL OUTGO. . . . .	<u>\$ 2,237.00</u>

EXCESS OF INCOME OVER OUTGO. . . . .	\$ 9,532.66
--------------------------------------	-------------

Add:

Appreciation during 1936 in value of Investments. . . . .	78,612.50
	<u>88,145.16</u>

Deduct:

Provision for Taxes. . . . .	\$1,500.00
Dividends Paid. . . . .	<u>7,500.00</u>
	<u>9,000.00</u>

Added to Surplus. . . . .	79,145.16
Surplus January 1, 1936. . . . .	<u>73,576.21</u>

Surplus December 31, 1936. . . . .	<u>\$152,721.37</u>
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## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1936

### RESOURCES

Bonds and Stocks (At Market Value). . . . .	\$161,752.50
Cash in Banks. . . . .	6,845.37
Real Estate Mortgage and other Loans Receivable. . . . .	126,504.63
Accounts Receivable less Reserve. . . . .	<u>9,118.87</u>

\$304,221.37

### LIABILITIES

Capital Stock (3,000 Shares. Par Value \$50.00 per Share). . . . .	\$150,000.00
Surplus. . . . .	152,721.37
Reserve for Taxes. . . . .	<u>1,500.00</u>

\$304,221.37

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	DEPARTMENT VALUES
\$	300,000 U. S. of America Treasury Notes, Ser. "D" $2\frac{1}{2}\%$ , 1938.....	\$ 305,505.33
	650,000 U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1939.....	653,340.59
	500,000 U. S. of America Treasury Notes, Ser. "A" $2\frac{1}{8}\%$ , 1939.....	503,982.99
	500,000 U. S. of America Treasury Notes, Ser. "B" $1\frac{3}{8}\%$ , 1939.....	501,244.65
	400,000 U. S. of America Treasury Notes, Ser. "A" $1\frac{5}{8}\%$ , 1940.....	403,820.84
	400,000 U. S. of America Treasury Notes, Ser. "B" $1\frac{1}{2}\%$ , June, 1940.....	402,449.45
	200,000 U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , Dec., 1940.....	200,553.98
	144,000 U. S. of America Treasury Notes, Ser. "A" $1\frac{1}{2}\%$ , 1941.....	144,000.00
	20,000 U. S. of America Treasury Bonds $3\frac{3}{8}\%$ , 1943-1941.....	20,042.10
	269,000 U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1945-1943.....	258,533.73
	84,500 U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1946-1944.....	84,797.61
	25,000 U. S. of America Treasury Bonds $3\%$ , 1948-1946.....	25,085.74
	75,000 U. S. of America Treasury Bonds $3\frac{1}{8}\%$ , 1952-1949.....	76,001.98
	40,000 U. S. of America Treasury Bonds $3\%$ , 1955-1951.....	39,698.74
	50,000 U. S. of America Treasury Bonds $2\frac{7}{8}\%$ , 1960-1955.....	50,814.12
\$3,657,500		\$3,669,871.85
	STATE, U. S. POSSESSIONS AND CANADIAN BONDS	
\$	50,000 N. Y. State Emerg. Unemploy. Relief $3\%$ , 1940.....	\$ 52,223.60
	50,000 N. Y. State Emerg. Unemploy. Relief $3\%$ , 1941.....	52,493.16
	25,000 N. Y. State Emerg. Construction $2\frac{1}{4}\%$ , 1940.....	25,575.55
	100,000 N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1941.....	102,196.43
	75,000 N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1942.....	76,653.52
	10,000 Porto Rico Workingmen's House Cons., Ser. "B" $4\frac{1}{2}\%$ , 1942-1940..	10,089.36
	5,000 Porto Rico Public Improvement, Ser. "A" $5\%$ , 1945-1944.....	5,262.48
	10,000 Porto Rico Irrigation Loan of 1915, Ser. "F" $4\%$ , 1956.....	10,675.25
	20,000 Dominion of Canada, $3\frac{1}{2}\%$ , 1949-1944.....	19,759.65
	50,000 Province of Alberta, Canada, $4\%$ , 1957.....	29,000.00
	50,000 Province of Manitoba, Canada $4\%$ , 1957.....	47,875.44
	20,000 City of Winnipeg, Dominion of Canada, Con. Deb. $5\%$ , 1943.....	19,796.00
\$ 465,000		\$ 451,600.44
	MUNICIPAL BONDS	
\$	35,000 Nassau County, N. Y. $2\frac{3}{4}\%$ , 1938.....	\$ 35,799.05
	50,000 Erie County, N. Y. $2.20\%$ , 1939.....	50,743.27
	65,000 Nassau County, N. Y. $2\frac{3}{4}\%$ , 1939.....	67,018.55

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$	35,000 Monroe County, N. Y. 2%, 1940.....	\$ 35,525.35
	50,000 City of Syracuse, N. Y. 2%, 1940.....	50,770.25
	50,000 City of Boston, Mass. 2¼%, 1940.....	50,865.80
	10,000 City of Buffalo, N. Y. 2½%, 1940.....	10,158.59
	35,000 Albany County, N. Y. 2%, 1941.....	35,540.35
	35,000 Monroe County, N. Y. 2%, 1941.....	35,338.89
	25,000 Rockland County, N. Y. 1¾%, 1941.....	25,147.49
	50,000 City of Syracuse, N. Y. 2%, 1941.....	50,803.00
	50,000 City of Albany, N. Y. 2%, 1942.....	50,506.41

\$ 490,000		\$ 498,217.00
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#### RAILROAD BONDS

\$	50,000 Atlantic Coast Line R. R. Co. Conv. Deb. 4%, 1939.....	\$ 49,472.58
	200,000 Baltimore & Ohio R. R. Conv. 4½%, 1960.....	201,433.54
	50,000 Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., Ser. "D" 5%, 2000..	48,647.81
	50,000 Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	10,500.00
	250,000 Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	27,500.00
	480,000 Chicago & Northwestern Ry. Co. Conv. 4¾%, 1949.....	81,600.00
	50,000 Erie R. R. Co. Consolidated General Lien 4%, 1996.....	32,215.90
	25,000 Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	22,801.07
	200,000 Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977...	90,000.00
	12,500 St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	6,625.00
	200,000 Southern Pacific Co. 4½%, 1969.....	188,943.54
	50,000 Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956..	39,892.95
	25,000 Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	25,455.54
	50,000 Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	49,533.62
	50,000 Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	20,000.00

\$1,742,500		\$ 894,621.55
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#### PUBLIC UTILITY BONDS

\$	100,000 Western Union Telegraph Co. 5%, 1951.....	\$ 100,000.00
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#### MISCELLANEOUS BONDS

\$	25,000 Armour & Co. of Delaware 1st Mtge. Sink. Fund, Ser. "B" 4%, 1955	24,583.12
	100,000 Canadian International Paper Co. 1st Mtge. 6%, 1949.....	96,013.02
	46,000 Chicago Pneumatic Tool Co. Sinking Fund Deb. 5½%, 1942.....	45,888.11
	50,000 General Cable Corp. 1st Mtge. Sink. Fund, Ser. "A" 5½%, 1947...	49,583.62

\$ 221,000		\$ 216,067.87
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## RAILROAD STOCKS

DEPARTMENT  
VALUES

3,000 Shares Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd.....	\$ 312,000.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	72,000.00
1,000 Shares Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd.....	35,000.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co.....	36,000.00
3,000 Shares Erie R. R. Co. \$4 Non-Cum. First Pfd.....	81,000.00
2,000 Shares Hudson & Manhattan R. R. Co. Common.....	8,000.00
3,300 Shares New York Central R. R. Co., Common.....	135,300.00
1,000 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.....	17,000.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	12,000.00
2,000 Shares Northern Pacific Railway Co. Common.....	56,000.00
5,625 Shares Pennsylvania R. R. Co.....	230,625.00
2,100 Shares Reading Co. Common.....	90,300.00
712 Shares St. Louis-San Francisco Railway Co. Common.....	2,136.00
2,000 Shares Southern Pacific Co. Common.....	88,000.00
4,000 Shares Southern Railway Co. \$5 Non-Cum. Pfd.....	204,000.00
7,000 Shares Southern Railway Co. Common.....	175,000.00
1,000 Shares Texas & Pacific Railway Co. Common.....	48,000.00

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\$1,602,361.00

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..	\$ 68,000.00
2,000 Shares Brooklyn-Manhattan Transit Corp. \$6 Cum. Pfd. Series "A".....	206,000.00
834 Shares Commonwealth & Southern Corp. \$6 Cum. Pfd.....	60,048.00
4,000 Shares Consolidated Edison Co. of N. Y. \$5 Cum. Pfd.....	428,000.00
2,000 Shares Consolidated Edison Co. of N. Y. Common.....	90,000.00
1,000 Shares Duquesne Light Co. \$5 Cum. First Pfd.....	114,000.00
1,400 Shares Engineers Public Service Co. \$5 Cum. Conv. Pfd.....	102,200.00
1,000 Shares The United Corporation \$3 Cum. Pfce.....	46,000.00
1,000 Shares The United Corporation Common.....	7,000.00

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\$1,121,248.00

## BANK STOCKS

7,032 Shares Chase National Bank of the City of New York.....	\$ 344,568.00
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MISCELLANEOUS STOCKS		DEPARTMENT VALUES
214 Shares Allis-Chalmers Mfg. Co. ....	\$	16,906.00
703.2 Shares Amerex Holding Corp. ....		21,799.20
500 Shares American Ice Co. \$6 Non-Cum. Pfd. ....		9,500.00
1,000 Shares American Locomotive Co. \$7 Cum. Pfd. ....		117,000.00
1,000 Shares American Smelting & Refining Co. \$6 Cum. Second Pfd. ....		106,000.00
500 Shares American Sugar Refining Co. \$7 Cum. Pfd. ....		70,500.00
2,000 Shares Pullman, Inc. ....		138,000.00
2,500 Shares United States Steel Corp. Common. ....		195,000.00
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		\$ 674,705.20

STOCKS OF SUBSIDIARY COMPANIES		
800 Shares Amnyco Printing & Supply Corp. } .....	\$	190,000.00
3,000 Shares Amsuco Securities Company } .....		
4,318 Shares Canadian Surety Company. ....		519,926.37
4,975 Shares Compania Mexicana de Garantias, S. A. ....		248,750.00
39,980 Shares New York Casualty Company. ....		1,239,380.00
		<hr/>
		\$ 2,198,056.37

PAR VALUE	RECAPITULATION	
\$3,657,500 U. S. Government Bonds. ....	\$	3,669,871.85
465,000 State, U. S. Possessions and Canadian Bonds. ....		451,600.44
490,000 Municipal Bonds. ....		498,217.00
1,742,500 Railroad Bonds. ....		894,621.55
100,000 Public Utility Bonds. ....		100,000.00
221,000 Miscellaneous Bonds. ....		216,067.87
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\$6,676,000 Total of Bonds. ....	\$	5,830,378.71
		<hr/>
Railroad Stocks. ....	\$	1,602,361.00
Public Utility Stocks. ....		1,121,248.00
Bank Stocks. ....		344,568.00
Miscellaneous Stocks. ....		674,705.20
Stocks of Subsidiary Companies. ....		2,198,056.37
		<hr/>
Total of Stocks. ....	\$	5,940,938.57

GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK. ....\$11,771,317.28

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are stated at \$1,229,956.78 less than book value.

# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	DEPARTMENT VALUES
\$382,180	Various Mortgage Loans on Real Estate, N. Y., 1937.....	\$ 382,180.00
76,825	Various Mortgage Loans on Real Estate, N. Y., 1938.....	76,825.00
45,505	Various Mortgage Loans on Real Estate, N. Y., 1940.....	45,505.00
198,900	Various Mortgage Loans on Real Estate, N. Y., 1941.....	198,900.00
8,000	Various Mortgage Loans on Real Estate, N. Y., 1942.....	8,000.00
33,000	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1941	33,000.00
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\$744,410		\$ 744,410.00
	U. S. GOVERNMENT BONDS	
\$ 50,000	U. S. of America Treasury Notes, Ser. "D" 2½%, 1938.....	\$ 50,476.45
65,000	U. S. of America Treasury Notes, Ser. "C" 1½%, 1939.....	65,000.00
30,000	U. S. of America Treasury Notes, Ser. "A" 2½%, 1939.....	30,609.45
50,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1940.....	50,474.26
5,000	U. S. of America Treasury Notes, Ser. "C" 1½%, 1940.....	5,000.00
36,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1941.....	36,000.00
172,000	U. S. of America Treasury Bonds, 3¼%, 1945-1943.....	170,830.88
10,000	U. S. of America Treasury Bonds, 3¼%, 1946-1944.....	10,000.00
10,000	U. S. of America Treasury Bonds, 3%, 1955-1951.....	9,866.92
10,000	U. S. of America Treasury Bonds, 2½%, 1960-1955.....	10,150.05
9,550	Home Owners' Loan Corp. of U. S. A. 2¾%, 1949-1939.....	9,550.00
15,000	Home Owners' Loan Corp. of U. S. A. 3%, 1952-1944.....	15,003.43
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\$462,550		\$ 462,961.44
	STATE BONDS	
\$ 50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1940.....	\$ 52,223.60
50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1941.....	52,493.16
25,000	N. Y. State Emerg. Construction 2¼%, 1940.....	25,575.55
50,000	N. Y. State Gen. State Improvement 2¼%, 1941.....	51,098.23
75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	76,653.52
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\$250,000		\$ 258,044.06
	MUNICIPAL BONDS	
\$ 10,000	Erie County, N. Y. 2.20%, 1939.....	\$ 10,148.66
30,000	City of Boston, Mass. 2¼%, 1940.....	30,519.46
50,000	City of Syracuse, N. Y. 2%, 1941.....	50,803.00
10,000	N. Y. City Harlem River Bridge Construction 3½%, 1941.....	10,092.75
10,000	N. Y. City High Schools & Sites Therefor 3½%, 1941.....	10,046.42
50,000	City of Albany, N. Y. 2%, 1942.....	50,506.41
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\$160,000		\$ 162,116.70

# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS	DEPARTMENT VALUES
\$ 50,000	Ann Arbor R. R. Co. 1st Mtge. 4%, 1995.....	\$ 37,148.33
20,000	Atlantic & Danville Ry. Co. 1st Mtge. 4%, 1948.....	17,221.46
50,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge., Ser. "A" 4%, 1959.....	44,030.81
50,000	Boston & Maine R. R. Co. 1st Mtge. 5%, 1955.....	51,056.75
20,000	Great Northern Ry. Co. Gen. Mtge. Ser. "C" 5%, 1973.....	18,917.58
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mtge. Ser. "A", 5%, 1957.....	27,811.80
20,000	Ill. Cent. R. R. Co. & Chic., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	19,034.87
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938.....	7,600.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	6,000.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	3,400.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	26,000.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013	18,860.30
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	47,926.28
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	13,500.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	17,635.45
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	17,000.00
20,000	Southern Pacific Co., Central Pacific Stock Collateral 4%, 1949.....	18,148.79
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	49,880.52
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	19,000.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	17,500.00
\$690,000		\$ 477,672.94
	PUBLIC UTILITY BONDS	
\$ 50,000	Standard Gas & Electric Co. of Delaware Deb. Series "A" 6%, 1951..	\$ 46,500.00
50,000	Western Union Telegraph 5%, 1951.....	51,056.52
\$100,000		\$ 97,556.52
	RAILROAD STOCKS	
500	Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 36,000.00
600	Shares Baltimore & Ohio R. R. Co. Common.....	12,600.00
2,000	Shares Canadian Pacific R. R. Co. Common.....	30,000.00
500	Shares Chicago & North Western Railway Co. Common.....	2,000.00
500	Shares Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5).	3,500.00



# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

	DEPARTMENT VALUES
500 Shares Great Northern Railway Co. \$4 Non-Cum. Pfd. ....	\$ 21,500.00
500 Shares Illinois Central R. R. Co. Common. ....	12,000.00
500 Shares Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	12,500.00
500 Shares Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd. ....	3,500.00
650 Shares New York Central R. R. Co. Common. ....	26,650.00
500 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd. ....	8,500.00
500 Shares Norfolk & Western Railway Co. Common. ....	134,000.00
500 Shares Northern Pacific Railway Co. Common. ....	14,000.00
600 Shares Pennsylvania R. R. Co. ....	24,600.00
500 Shares St. Louis-San Francisco Railway Co. Common. ....	1,500.00
500 Shares Southern Pacific Co. Common. ....	22,000.00
500 Shares Southern Railway Co. Common. ....	12,500.00
500 Shares Union Pacific Railway Co. Common. ....	63,500.00

\$ 440,850.00

## PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. \$6 Cum. Pfd. ....	\$ 22,600.00
500 Shares American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd. ....	52,000.00
1,100 Shares Consolidated Edison Co. of N. Y. Common. ....	49,500.00
200 Shares Electric Bond & Share Co. \$5 Cum. Pfd. ....	14,600.00
200 Shares Electric Power & Light Co. \$6 Cum. Pfd. ....	16,800.00
500 Shares Electric Power & Light Co. Common. ....	12,000.00
500 Shares Federal Light & Traction Co. \$6 Cum. Pfd. ....	51,000.00
500 Shares North American Co. \$3 Cum. Pfd. ....	27,500.00
500 Shares Standard Gas & Electric Co. \$4 Cum. Pfd. ....	13,500.00
600 Shares United Gas Improvement Co. Common. ....	9,000.00

\$ 268,500.00

## BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y. ....	\$ 8,260.00
500 Shares Chase National Bank of The City of New York. ....	24,500.00
10 Shares First National Bank of the City of New York. ....	20,850.00
200 Shares Girard Trust Co., Philadelphia, Pa. ....	22,800.00
65 Shares Guaranty Trust Co. of the City of New York. ....	21,255.00
1,750 Shares Manhattan Co., New York, N. Y. ....	56,000.00
1,750 Shares New York Title and Mortgage Corp. ....	0.00

\$ 153,665.00



# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

	DEPARTMENT VALUES
50 Shares Amerex Holding Corp. ....	\$ 1,550.00
500 Shares American Smelting & Refining Co. Common. ....	47,000.00
500 Shares Anaconda Copper Mining Co. ....	27,000.00
500 Shares Eastman Kodak Co. Common. ....	87,500.00
500 Shares Kennecott Copper Co. ....	30,000.00
53 Shares Mission Corp. ....	1,590.00
500 Shares Pullman, Inc. ....	34,500.00
1,000 Shares Standard Oil Co. of New Jersey. ....	69,000.00
1,000 Shares Socony-Vacuum Oil Co., Inc. ....	17,000.00
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	\$ 315,140.00

PAR  
VALUE

## RECAPITULATION

\$ 744,410 Mortgage Loans. ....	\$ 744,410.00
\$ 462,550 U. S. Government Bonds. ....	\$ 462,961.44
250,000 State Bonds. ....	258,044.06
160,000 Municipal Bonds. ....	162,116.70
690,000 Railroad Bonds. ....	477,672.94
100,000 Public Utility Bonds. ....	97,556.52
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\$1,662,550 Total of Bonds. ....	\$1,458,351.66
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Railroad Stocks. ....	\$ 440,850.00
Public Utility Stocks. ....	268,500.00
Bank and Trust Company Stocks. ....	153,665.00
Miscellaneous Stocks. ....	315,140.00
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Total of Stocks. ....	\$1,178,155.00

## GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS

OWNED BY NEW YORK CASUALTY COMPANY. ....\$3,380,916.66

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values established by the Insurance Department of the State of New York.

# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 75,000.00	Dominion of Canada Conversion Loan, 4½%, 1949/59.....	\$ 84,000.00
117,000.00	Dominion of Canada 3%, 1955 or earlier.....	117,000.00
5,000.00	Dominion of Canada 3¼%, 1956/61.....	5,150.00
45,000.00	Dominion of Canada 3¼%, 1956/66.....	45,450.00
26,000.00	Canadian National Railway, Gtd. by Dominion of Canada, 4½%, 1957	29,640.00
5,000.00	Canadian National Railway, Gtd. by Dominion of Canada, 4½%, 1956	5,750.00
87,000.00	Canadian National Railway, Gtd. by Dominion of Canada, 3%, 1948/53	87,000.00
5,000.00	Canadian Natl. Ry. Equip. Tr., Ser. "K" Gtd. by Dom. of Can. 5%, 1939	5,350.00
15,000.00	Dom. of Canada fully subsidizing St. John Dry Dock & Shipbuilding Co., 3%, 1950 or earlier.....	15,000.00
14,094.00	Grand Trunk Pacific Railway, Gtd. by Dominion of Canada, 4%, 1962	15,362.46
5,000.00	Province of Alberta, 4½%, 1956.....	3,350.00
10,000.00	Province of New Brunswick, 5%, 1959.....	11,500.00
10,000.00	Province of New Brunswick, 3%, 1951.....	9,800.00
11,000.00	Province of New Brunswick, 3¼%, 1945.....	11,110.00
10,000.00	Province of New Brunswick, 3%, 1939.....	10,200.00
15,000.00	Province of Quebec, 3%, 1951.....	15,000.00
5,000.00	Province of Nova Scotia, 5%, 1960.....	5,850.00
20,000.00	Province of Nova Scotia, 3%, 1947.....	20,000.00
10,000.00	Province of Nova Scotia, 4½%, 1961.....	11,200.00
26,000.00	Province of Ontario, 5%, 1948.....	29,900.00
4,000.00	Province of Ontario, 4½%, 1944.....	4,520.00
25,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 4%, 1957	27,000.00
10,000.00	T. & N. O. Railway Commission Gtd. by Prov. of Ont., 4%, 1965..	10,700.00
25,000.00	Kingdom of Norway External Loan, 5%, 1933/63.....	25,500.00
\$580,094.00		\$605,332.46

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.....	\$ 10,600.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.....	1,880.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942.....	850.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	2,160.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,520.00
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	2,020.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.....	4,040.00
5,000.00	City of Galt, Ontario, 5%, 1937.....	5,050.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 5,000.00	City of Halifax, Nova Scotia, 5%, 1961.....	\$ 5,800.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	2,005.05
4,000.00	City of Hamilton, Ontario, 5%, 1938.....	4,120.00
6,000.00	City of Hamilton, Ontario, 5%, 1939.....	6,300.00
10,000.00	City of Kitchener, Ontario, 4½%, 1937.....	10,100.00
10,000.00	Montreal Metropolitan Commission, 5%, 1966.....	10,800.00
10,000.00	City of Montreal, Que., 3½%, 1944.....	10,100.00
10,000.00	City of Montreal, Que., 4%, 1945.....	10,100.00
14,163.22	City of Niagara Falls, Ont., 5½%, 1934 to 1938.....	12,746.90
10,000.00	City of North Bay, Ont., 5%, 1938 to 1941.....	9,850.00
2,000.00	City of North Bay, Ont., 5%, 1942-43.....	1,950.00
2,000.00	City of Oshawa, Ont., 5½%, 1946.....	2,020.00
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	5,000.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,660.00
10,000.00	City of Peterborough, Ontario, 4¼%, 1939.....	10,500.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,180.00
2,000.00	City of Port Arthur, Ontario, 5%, 1937.....	2,020.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	4,450.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951.....	1,305.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	3,600.00
5,000.00	City of St. John, N. B., 4½%, 1971.....	5,400.00
10,000.00	City and County of St. John, N. B., 4½%, 1971.....	10,800.00
5,000.00	City of Sarnia, Ontario, 6%, 1939.....	5,250.00
5,000.00	City of Sherbrooke, Quebec, 3½%, 1955.....	5,100.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	15,300.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,140.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952.....	5,885.00
15,000.00	City of Toronto, Ontario, 5%, 1945.....	17,100.00
14,000.00	City of Toronto, Ontario, 4½%, 1948.....	15,680.00
15,000.00	City of Victoria, British Columbia, 5½%, 1941.....	13,650.00
1,000.00	City of Victoria, British Columbia, 5½%, 1941.....	910.00
1,000.00	City of Victoria, British Columbia, 5½%, 1945.....	850.00
2,000.00	City of Welland, Ontario, 4½%, 1939.....	2,040.00
3,000.00	City of Winnipeg, Manitoba, 4½%, 1950.....	2,940.00
1,703.33	City of Winnipeg, Manitoba, Reg'd Stock, 4½%, 1943/63.....	1,652.23
9,964.20	City of Windsor, Ontario, By-Law No. 2167, 5½%, 1946 to 1949...	7,971.36
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,320.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 3,000.00	Town of Collingwood, Ont., Gtd. by County of Simcoe, Ont., 5%, 1944	\$ 3,000.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943-44	6,630.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945	4,520.00
2,000.00	Town of Dundas, Ontario, 5%, 1948	2,080.00
8,000.00	Town of Dundas, Ontario, 5%, 1949	8,400.00
1,877.23	Town of Renfrew, Ontario, 5%, 1937 to 1941	1,896.00
6,000.00	Town of Sandwich, Ontario, 5½%, 1945	2,400.00
4,580.72	Town of Sandwich, Ontario, 5½%, 1941 to 1942	1,832.28
17,000.00	Town of Sorel, Quebec, 5%, 1952	18,190.00
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940	5,100.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3½%, 1937	1,750.00
1,559.09	Town of Watrous, Saskatchewan, 5½%, 1933 to 1956	779.54
144.58	Town of Watrous, Saskatchewan, Refunding Debentures, 5½%, 1957-58	72.29
6,145.49	Town of Weston, Ontario, 5%, 1947	4,609.11
1,820.58	Village of Madoc, Ontario, 5%, 1937 to 1939	1,838.78
940.69	Village of Madoc, Ontario, 5%, 1947	978.31
10,000.00	Township of Barton, Ontario, 5%, 1944	10,000.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49	7,140.00
5,000.00	Township of East York, Ontario, 5½%, 1947	3,250.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963	1,680.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959	6,930.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956	450.00
5,000.00	Township of Scarborough, Ontario, 5%, 1942	3,250.00
10,000.00	Township of Scarborough, Ontario, 5%, 1940	6,500.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960	2,660.00
5,000.00	Greater Winnipeg Water District, 6%, 1940	5,100.00
1,000.00	County of Carleton, Ontario, 6%, 1939	1,070.00
4,000.00	County of Carleton, Ontario, 6%, 1941-44	4,530.00
2,000.00	County of Haldimand, Ontario, 5%, 1937	2,020.00
6,900.00	United Counties of Lennox & Addington, 4½%, 1937-39	7,087.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942	7,980.00
\$419,645.79		\$404,438.85



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS	DEPARTMENT VALUES
\$ 5,000.00	City of Hamilton, Ont., Roman Catholic Separate School, 5%, 1949..	\$ 5,500.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943 .....	7,280.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-52 .....	6,000.00
1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953 .....	1,000.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953 to 1960 .....	11,070.53
5,000.00	Roman Catholic School, Toronto, 5%, 1945 .....	5,350.00
<hr/>		<hr/>
\$ 34,346.29		\$ 36,200.53

## MISCELLANEOUS BONDS

\$ 20,000.00	Canada Permanent Mortgage Corp., Toronto, 3%, 1937 .....	\$ 20,000.00
25,000.00	Huron & Erie Mortgage Corp., London, Ont., 3¾%, 1937 .....	25,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ont., 4%, 1938 .....	20,200.00
10,000.00	British America Oil Co., Ltd., S. F., Deb., 4%, 1945 .....	10,500.00
10,000.00	British Columbia Tel. Co., Ltd., 1st Mtge. Series B, 4½%, 1961 .....	10,700.00
10,000.00	Canada Cement Co., Ltd., 1st Mtge. S. F. Ser. A, 4½%, 1951 .....	10,500.00
5,000.00	Canadian International Paper Co., 1st Mtge. 6%, 1949 or earlier .....	4,850.00
3,000.00	Consolidated Paper Corp., Ltd., 1st Mtge., 5½%, 1961 .....	2,040.00
10,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 4%, 1951 .....	10,400.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mtge. S. F., 5½%, 1949 or earlier .....	8,500.00
20,000.00	Massey-Harris Co., Ltd., Toronto, S. F. Deb., 5%, 1947 or earlier .....	18,400.00
5,000.00	Quebec Power Co., 1st Mtge. Coll. Tr. Ser. A, 5%, 1968 or earlier .....	5,250.00
10,000.00	Simpson's, Ltd., 1st Mtge. Coll. Tr. Series A, 4¼%, 1937/51 .....	10,000.00
5,000.00	United Gas & Fuel Co. of Hamilton, Ltd., 1st Mtge. S. F., 5½%, 1948 or earlier .....	5,100.00
5,000.00	United Grain Growers, Ltd., 1st Mtge. S. F. Series A, 5%, 1948 or earlier .....	4,900.00
5,000.00	Montreal Light, Heat and Power Co., 1st Mtge., 3½%, 1956 .....	5,100.00
25,000.00	Shawinigan Water & Power Co., 4½%, 1938/70 .....	26,000.00
20,000.00	Canadian Pacific Railway, Convertible 3½%, 1951 .....	19,600.00
<hr/>		<hr/>
\$218,000.00		\$217,040.00

# THE CANADIAN SURETY COMPANY—Continued

STOCKS		DEPARTMENT VALUES
40 Shares Maple Leaf Milling Co., Class A, Cumulative Preferred. . . . .	\$	48.00
100 Shares International Milling Co. (Cumulative Sinking Fund, First Preferred) 5%, par value \$100.00. . . . .		10,400.00
50 Shares Goodyear Tire & Rubber Co. of Canada, Ltd. (Cumulative Redeemable Preferred) 5%, par value \$50.00. . . . .		2,850.00
50 Shares Southern Canada Power Co. 6% Preferred, par value \$100.00. . . . .		5,200.00
200 Shares Canadian Pacific Railway, Common Stock, par value \$25.00. . . . .		2,600.00
50 Shares Consolidated Paper Corp., Ltd. (Non-assessable), no par value. . . . .		450.00
		<hr/> \$21,548.00

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	
\$10,000.00	Canada Permanent Trust Company, Toronto, 4%, 1939. . . . .	\$10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 4%, 1940. . . . .	5,000.00
10,000.00	Toronto General Trusts Corp., Toronto, 4%, 1939. . . . .	10,000.00
5,000.00	Trusts and Guarantee Company, 4¾%, 1939. . . . .	5,000.00
<hr/> \$30,000.00		<hr/> \$30,000.00

RECAPITULATION	
\$ 580,094.00	Government Bonds. . . . . \$ 605,332.46
419,645.79	Municipal Bonds. . . . . 404,438.85
34,346.29	School Bonds. . . . . 36,200.53
218,000.00	Miscellaneous Bonds. . . . . 217,040.00
<hr/> \$1,252,086.08	<hr/> TOTAL OF BONDS. . . . . \$1,263,011.84
	Stocks. . . . . 21,548.00
	Deposits with Trust Companies for Investment. . . . . 30,000.00
	<hr/> GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY. . . . . \$1,314,559.84

NOTE: Securities are stated at values established by the Insurance Department of the Dominion of Canada.

SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	\$ 10,550.00
10,000	American Power & Light Company Deb. $6\%$ , 2016.....	10,162.50
10,000	Baltimore & Ohio R. R. Conv. $4\frac{1}{2}\%$ , 1960.....	7,700.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" $5\%$ , 1975..	6,700.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" $4\frac{3}{4}\%$ , 1949.....	3,450.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. $4\frac{1}{2}\%$ , 1960.....	1,075.00
10,000	Erie R. R. Company Ref. & Imp. $5\%$ , 1967.....	8,587.50
88,000	Mexican Federal Government Exterior $5\%$ , 1945.....	7,480.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" $5\%$ , 1955.....	10,000.00
10,000	Ohio Edison 1st & Cons. $5\%$ , 1960.....	10,512.50
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A" $5\frac{1}{2}\%$ , 1952.....	10,500.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit)	3,100.00
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969.....	19,000.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" $5\%$ , 1977.....	10,575.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. $5\%$ , 1958.....	9,800.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" $5\%$ , 1976.....	4,000.00
P300,000	Mexican Federal Government Interior Consol. $3\%$ , 1925.....	11,250.00
1,100	Mexican Federal Government Interior Debt $5\%$ .....	48.88
106,800	United Shoe & Leather Company $5\%$ , 1941.....	16,316.67
STOCKS		
100	Shares American Superpower 1st Preferred.....	9,300.00
84	Shares Commonwealth & Southern Corporation Preferred.....	5,943.00
600	Shares Lehigh Valley Coal Corporation Preferred.....	9,675.00
1	Share Mexico City Country Club.....	833.33
200	Shares Banco Nac. Hipotecario Urbano y de Obras Públicas.....	5,555.56
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		\$192,114.94

NOTE: Securities are valued at actual market value as of December 31, 1936.



# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	MARKET VALUE
\$50,000 New England Power Association Deb. 5%, 1948 .....	\$ 50,312.50

## STOCKS

100 Shares Engineers Public Service Co. 5% Cum. Convertible Preferred.....	7,300.00
1,000 Shares International Paper & Power Co. 7% Cumulative Preferred.....	93,000.00
600 Shares Lehigh Valley Coal Corporation Preferred.....	9,675.00
9 Shares Title Guaranty & Surety Company.....	90.00
200 Shares United Corporation Common.....	1,375.00

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\$161,752.50

NOTE: Securities are valued at actual market value as of December 31, 1936.





REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1937

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

A. F. LAFRENTZ  
*President*

W. M. TOMLINS, JR.  
*First Vice-President*

### *Vice-Presidents*

D. H. COOK  
H. P. DUNHAM  
R. B. HAMILTON  
M. L. JENKS  
W. E. MCKELL

L. S. MOORE  
G. L. NAUGHT  
F. J. PARRY  
LEWIS H. PARRY  
E. F. WATSON

CHARLES W. GOETCHIUS  
*Vice-President and Treasurer*

C. H. HALL  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT

JOHN ANDERSON

NEWCOMB CARLTON

FANNIN W. CHARKE

WILBUR L. CUMMINGS

ARTEMUS L. GATES

HENRY O. HAVEMEYER

F. COIT JOHNSON

JOHN L. KEMMERER

F. W. LAFRENTZ

A. F. LAFRENTZ

JAMES T. LEE

JEREMIAH T. MAHONEY

W. E. MCKELL

JEREMIAH MILBANK

JOHN M. MILLER, JR.

HARPER SIBLEY

WILLIAM SKINNER

MATTHEW S. SLOAN

FREDERICK P. SMALL

W. M. TOMLINS, JR.

ALBERT H. WIGGIN

BRONSON WINTHROP



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## ADMITTED ASSETS

	1937	1936	Increase	Decrease
Real Estate.....	\$10,000,000.00	\$10,000,000.00		
*Bonds.....	6,553,172.95	5,830,378.71	\$722,794.24	
*Stocks.....	4,502,557.77	5,940,938.57		\$1,438,380.80
Premiums in Course of Col- lection (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due)....	1,447,760.11	1,473,576.54		25,816.43
Cash in Banks and Offices....	3,024,945.64	2,963,775.64	61,170.00	
Reinsurance and Other Accounts Receivable.....	110,197.38	119,198.77		9,001.39
Interest and Rents Due and Accrued.....	46,150.55	56,164.39		10,013.84
	<u>\$25,684,784.40</u>	<u>\$26,384,032.62</u>		<u>\$ 699,248.22</u>

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits Reserve for Unearned Premiums.....	4,072,584.91	5,120,992.95		\$1,048,408.04
Reserve for Reported Losses..	5,941,658.69	5,795,443.60	\$146,215.09	
Reserve for Unreported Losses:	3,642,666.93	3,931,401.83		288,734.90
Allocated to Specific Lines..	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York.	310,067.35	237,795.97	72,271.38	
Unallocated (Voluntary)...	87,622.93	180,526.93		92,904.00
Reserve for Expenses, Taxes and other Liabilities.....	1,198,423.14	1,137,873.84	60,549.30	
Reserve for Depreciation— H. O. Building.....	1,100,000.00	1,000,000.00	100,000.00	
Dividend Payable— January 3, 1937.....	374,997.50	374,997.50		
*Contingency Reserve.....	351,762.95		351,762.95	
	<u>\$25,684,784.40</u>	<u>\$26,384,032.62</u>		<u>\$ 699,248.22</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are stated at \$900,826.62, December 31, 1937, and \$1,229,956.78, December 31, 1936 less than their book value, with Contingency Reserve set up as a Liability to adjust amortized values to market values.

January 18, 1938.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1937 (in the fifty-fourth year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written . . . . .	\$12,082,260.17	(Decrease \$261,607.14)
Less Reinsurance Ceded . . . . .	2,547,568.44	(Decrease 327,626.21)
Net Premiums Written . . . . .	9,534,691.73	(Increase 66,019.07)
Increase in Unearned Premium Reserve . . . . .	146,215.09	(Increase 30,903.38)
Earned Premiums . . . . .	9,388,476.64	(Increase 35,115.69)
From Home Office Building—		
Rents Less Operating Cost . . . . .	560,224.93	(Decrease 148.59)
From Securities—Interest and Dividends . . . . .	386,645.80	(Increase 37,859.64)
TOTAL INCOME . . . . .	<u>\$10,335,347.37</u>	(Increase 72,826.74)
OUTGO:		
For Operating Expenses Paid . . . . .	\$ 3,562,733.55	(Increase 28,273.49)
For Claim Expenses Paid . . . . .	625,977.29	(Decrease 36,396.06)
For Investment Expenses . . . . .	35,050.52	(Increase 4,432.68)
For Commissions Paid . . . . .	1,622,883.90	(Increase 52,875.26)
For Taxes Paid . . . . .	580,147.86	(Increase 114,114.94)
For Losses Incurred . . . . .	\$2,708,328.61	(Decrease 346,177.46)
Less Cash Salvage . . . . .	775,792.61	(Increase 5,595.73)
Net Losses Incurred . . . . .	1,932,536.00	(Decrease 351,773.19)
TOTAL OUTGO . . . . .	<u>\$ 8,359,329.12</u>	(Decrease 188,472.88)
EXCESS OF INCOME OVER OUTGO . . . . .		\$1,976,018.25
(Increase of \$261,299.62)		
Deduct—Increase in:		
Reserve for Expenses and Taxes . . . . .	\$ 33,021.92	
Reserve for Depreciation of Building . . . . .	100,000.00	
	<u>\$ 133,021.92</u>	
Less—Decrease in:		
Reserve for Overdue Premiums . . . . .	23,649.70	109,372.22
Agents' Balances Charged Off . . . . .	8,799.99	118,172.21
Investment Income and Underwriting Profit Less Reserves . . . . .		\$1,857,846.04

[ page three ]

Brought Forward .....				\$1,857,846.04
Deduct:				
Transfer to Reserve for Depreciation of Securities Unsold ...	\$1,831,072.16			
Less Depreciation on Securities Sold, taken prior to January 1, 1937 .....	\$ 8,477.78			
Less Loss from Sales of these Securities .....	2,534.37	5,943.41	1,825,128.75	
			32,717.29	
Deduct:				
Transfer to Contingency Reserve .....	351,762.95			
Less transfer from Special Reserves .....	20,632.62		331,130.33	
			298,413.04	
Dividends Declared .....	750,000.00			
Less Dividends on Fractional Scrip Certificates .....	5.00		749,995.00	
Deducted from Surplus .....			1,048,408.04	
Surplus January 1, 1937 .....			5,120,992.95	
Surplus December 31, 1937 .....			\$4,072,584.91	

The foregoing may be summarized as follows:—

That the Earnings arose from—

Investments after providing \$100,000 for depreciation of Home Office Building .....	\$ 811,820.21
Underwriting after all Reserves including provision for Federal Income Tax .....	1,046,025.83

A total of .....

That Depreciation of Securities Unsold and Loss from Sale of Securities amounted to .....	2,176,891.70
That Dividends Paid and Declared amounted to .....	749,995.00
That there was transferred from Special Reserve .....	20,632.62
Resulting in a decrease in Surplus and Undivided Profits of .....	1,048,408.04

By reason of continued favorable experience during the past year premium rates on certain classes of bonds and policies were substantially reduced. This adversely affected premium volume. Notwithstanding, Net Premiums increased \$66,019.07 and Earned Premiums \$35,115.69.

Net Income of \$560,224.93 from Home Office Building before depreciation was within \$148.59 of the return reported for the year 1936.

Income from Securities amounted to \$386,645.80 of which \$162,520.26 was Interest Earned and \$224,125.54 Dividends Received including \$88,557.99 dividends from subsidiary companies.



Operating Expenses Paid were higher than for the year 1936 by \$28,273.49 which is accounted for by an increase in payroll of \$20,233.33 and an increase in Beneficiary Allowances of \$26,685.44 less a decrease in Rents Paid of \$19,025.90.

The decrease of \$36,396.06, or 5.5%, in Claim Expenses Paid is the result of further improvement in loss experience. On the other hand, Commissions Paid advanced \$52,875.26 due to an increase in Premium Collections, particularly in the Casualty Insurance classifications.

For the past several years Taxes Paid have shown a substantial increase. 1936 payments exceeded the 1935 payments 19.4% and the payments for 1937 were \$114,114.94, or 24.5%, greater than for 1936. Federal Old Age Benefit Tax and increase in State Unemployment Insurance Taxes and in Federal Income Tax more than account for the increase. Because of the advance in Social Security Tax rates, effective January 1, 1938, it is estimated that for the year 1938 these taxes will amount to approximately \$114,000.00, as compared with \$88,235.46 paid for 1937.

Net Losses Incurred for the year 1937 showed a marked decline as compared with 1936—Losses Incurred having decreased \$346,177.46, or 11.3%, and Cash Salvages Collected increased \$5,595.73. The ratio of Net Losses Incurred to Earned Premiums was 26.6%, a drop of approximately four points from the 1936 over-all loss ratio.

Conforming to our policy in prior years \$100,000.00 was charged to operations and credited to Reserve for Depreciation of Home Office Building.

The Company's security portfolio was valued as of December 31, 1937. Based on amortized values for amortizable bonds and market values established by the Insurance Department for other securities it was necessary to transfer \$1,831,072.16 to Reserve for Depreciation of Securities Unsold. In addition, \$351,762.95 has been transferred to Contingency Reserve to provide for the difference between the amortized value and the market value of amortizable bonds.

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Total Resources of the Company were \$25,684,784.40 as of December 31, 1937, compared with \$26,384,032.62 as of December 31, 1936, a decline of \$699,248.22.

The Real Estate, consisting of a twenty-three story office building located at 100 Broadway in the City of New York, unencumbered and assessed at \$7,750,000 was stated at the appraised value, \$10,000,000. To cover depreciation a reserve of \$1,100,000 has been set up. At the present time, including the space occupied by the Company (six and one-half floors) the building is approximately ninety percent rented.

Securities were valued at \$11,055,730.72 as follows—Amortizable bonds at amortized values, other bonds and stocks except stocks of subsidiary Companies at market values established by the Insurance Department and stocks of subsidiaries at cost or depreciated values which was \$900,826.62 less than their book value at December 31, 1937. As the market value of amortizable bonds was \$351,762.95 less than the amortized value a Contingency Reserve of this amount has been created. The Company's holdings in United States Government, State, Municipal and Canadian Provincial and Municipal obligations totaled \$5,337,502.72 of which \$4,575,140.88 mature within five years.

Premiums and Agents' Balances in Course of Collection, amounting to \$1,802,092.53, were deemed to be collectible. All uncollectible accounts have been written off. On reinsurance cessions there was due to other companies as of the close of the year \$213,975.43.

The aggregate of Premiums and Agents' balances due more than ninety days prior to December 31, 1937, and not collected on or before that date amounted to \$140,356.99. Irrespective of the collectibility of such items the Insurance Department requires that they be eliminated.



Substantial bank balances were maintained throughout the year. At the year-end Cash in Banks and Offices totaled \$3,024,945.64.

Reserve for Unearned Premiums stood at \$5,941,658.69 on December 31, as compared with \$5,795,443.60 a year ago, an increase of \$146,215.09.

All claims of which the Company had knowledge were provided for and included in the Reserve for Reported Losses of \$3,642,666.93. In addition a Reserve for Unreported Losses has been maintained—\$1,105,000 allocated to specific lines, \$310,067.35 allocated to losses due from Companies not authorized in the State of New York and \$87,622.93 not specifically allocated.

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Consolidated Results of Operations of American Surety Company and its subsidiary companies, the New York Casualty Company, Canadian Surety Company, Compania Mexicana de Garantias, S. A. and Amsuco Securities Company reflect:

Investment Income excluding inter-company dividends. . . . .	\$ 945,167.82
Underwriting Profit. . . . .	<u>1,432,256.19</u>

Total. . . . .	\$2,377,424.01
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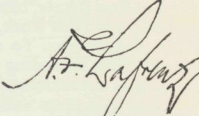
Depreciation of Securities Unsold and Loss on Sale of Securities. . . . .	\$3,059,288.07
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To our entire staff and agency force I wish to express my appreciation for their loyalty and devotion to the Company and for their help and support in all matters relating to the Company's affairs without which the very favorable underwriting results herein reported could not have been attained.

To the Members of this Board and to the members of its various Committees I express my thanks for their continued aid and counsel.

Respectfully,

  
President.

## GENERAL INFORMATION

There were presented to us during 1937:

		Comparison with Preceding Year
Fidelity Claims . . . . .	2,875	Increase of 114
Official Claims . . . . .	409	Decrease of 297
Surety Claims . . . . .	504	Decrease of 106
Burglary Claims . . . . .	450	Decrease of 12
Forgery Claims . . . . .	323	Increase of 32
Plate Glass Claims . . . . .	1,453	Decrease of 34
Other Casualty Claims . . . . .	14,199	Increase of 1,731
Total . . . . .	20,213	Increase of 1,428

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{ Year 1937 . . 19.10 Entire Period . 29.19
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{ Year 1937 . . 9.41 Entire Period . 33.03
Plate Glass Claims Paid to Net Premiums . . . . .	{ Year 1937 . . 37.73 Entire Period . 34.25
Other Casualty Claims Paid to Net Premiums . . . . .	{ Year 1937 . . 37.05 Entire Period . 38.87

The Company has an agency organization consisting of 42 Branch and Service Offices on a salary basis, and 10,386 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$222,970,942.51
Its Net Paid Losses were . . . . .	66,966,896.44
And Its Expenses were . . . . .	136,253,281.98
Leaving an excess from underwriting, subject to Reserves, of . . . . .	19,750,764.09
Which is equivalent to 8.86% of the Net Premium Income.	
Income from Investments . . . . .	24,076,651.94
Our Stockholders have received in Cash Dividends . . . . .	23,637,353.00

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1937

ADMITTED ASSETS

Real Estate .....			\$10,153,987.29
†Bonds, Stocks and Debentures .....			12,903,732.96
Premiums and Agents' Balances in Course of Collection .....	\$2,604,317.56		
Less Reinsurance Payable .....	284,530.41	\$2,319,787.15	
Less Premiums and Agents' Balances more than Ninety Days due .....		211,483.97	2,108,303.18
Cash .....			4,186,232.84
Real Estate Mortgage and other Secured Loans .....			962,612.36
Reinsurance and other Accounts Receivable .....			174,871.26
Interest and Rents Due and Accrued .....			84,752.11
			<u>\$30,574,492.00</u>

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) .....		\$ 7,500,000.00
Surplus and Undivided Profits .....		4,973,411.53
Legal Fund Provision—Mexico .....		46,296.29
Minority Interest in Subsidiary Companies .....		140,175.46
Reserve for Unearned Premiums .....		7,748,301.31
Reserve for Reported Losses .....		4,739,616.97
Reserve for Unreported Losses:		
Allocated to Specific Lines .....	\$1,455,000.00	
Allocated to Losses due from Companies not authorized in the State of New York .....	310,067.35	
Unallocated (Voluntary) .....	93,247.50	1,858,314.85
Reserve for Expenses, Taxes and Other Liabilities .....		1,574,210.50
Reserve for Depreciation—Home Office Building .....		1,100,000.00
Dividend Payable—January 3, 1938 .....		374,997.50
*Contingency Reserve .....		519,167.59
		<u>\$30,574,492.00</u>

\*Adjusts securities to market value.

†Securities carried at \$2,291,059.73 in the above statement and cash amounting to \$53,929.55 are deposited for purposes required by law.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1937

## ADMITTED ASSETS

Real Estate . . . . .			\$10,000,000.00
(Home Office Premises, unencumbered, appraised by New York Insurance Department June 5, 1933)			
*Securities:			
Bonds . . . . .	\$6,553,172.95		
Preferred Stocks . . . . .	1,181,426.00		
Common Stocks . . . . .	3,321,131.77	11,055,730.72	
Premiums and Agents' Balances in Course of Collection . . . . .	\$1,802,092.53		
Less Reinsurance Payable . . . . .	213,975.43	1,588,117.10	
Less Premiums and Agents' Balances more than Ninety Days due . . . . .		140,356.99	1,447,760.11
Cash in Banks and Offices . . . . .			3,024,945.64
Reinsurance and Other Accounts Receivable . . . . .			110,197.38
Interest and Rents Due and Accrued . . . . .			46,150.55
			<u>\$25,684,784.40</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .		\$ 7,500,000.00
Surplus and Undivided Profits . . . . .		4,072,584.91
Reserve for Unearned Premiums . . . . .		5,941,658.69
Reserve for Reported Losses . . . . .		3,642,666.93
Reserve for Unreported Losses:		
Allocated to Specific Lines . . . . .	\$1,105,000.00	
Allocated to Losses due from Companies not authorized in the State of New York . . . . .	310,067.35	
Unallocated (Voluntary) . . . . .	87,622.93	1,502,690.28
Reserve for Expenses, Taxes and Other Liabilities . . . . .		1,198,423.14
Reserve for Depreciation—Home Office Building . . . . .		1,100,000.00
Dividend Payable—January 3, 1938 . . . . .		374,997.50
*Contingency Reserve . . . . .		351,762.95
		<u>\$25,684,784.40</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are carried at \$900,826.62 less than their book value. The market value of amortizable bonds is \$551,762.95 less than their amortized value with Contingency Reserve set up as a Liability to adjust amortized values to market values.

Securities carried at \$1,481,940.15 in the above statement are deposited for purposes required by law.



The revenue accounts of the NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$3,153,649.93	(Increase \$268,058.85)
Less Reinsurance Ceded.....	489,811.21	(Increase 54,507.27)
Net Premiums Written.....	2,663,838.72	(Increase 213,551.58)
Increase in Unearned Premium Reserve.....	141,314.36	(Increase 45,690.58)
Earned Premiums.....	2,522,524.36	(Increase 167,861.00)
From Rents, less Operating Costs.....	1,198.23	(Increase 502.58)
From Securities—Interest and Dividends.....	132,432.75	(Increase 11,221.36)
TOTAL INCOME.....	\$2,656,155.34	(Increase 179,584.94)
OUTGO:		
For Operating Expenses Paid.....	\$ 506,596.51	(Increase 2,754.38)
For Claim Expenses Paid.....	181,299.44	(Decrease 2,101.13)
For Investment Expenses.....	7,136.36	(Decrease 1,135.20)
For Commissions Paid.....	575,506.33	(Increase 30,062.18)
For Taxes Paid.....	90,501.61	(Increase 12,668.76)
For Losses Incurred.....	\$920,196.14	(Decrease 112,677.09)
Less Cash Salvage.....	89,752.28	(Increase 28,963.38)
Net Losses Incurred.....	830,443.86	(Decrease 141,640.47)
TOTAL OUTGO.....	\$2,191,484.11	(Decrease 99,391.48)
EXCESS OF INCOME OVER OUTGO.....		\$464,671.23
(Increase of \$278,976.42)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 75,262.99	
Reserve for Overdue Premiums.....	9,590.55	\$ 84,853.54
Agents' Balances Charged Off.....	3,587.40	88,440.94
Investment Income and Underwriting Profit Less Reserves.....		376,230.29
Deduct:		
Transfer to Reserve for Depreciation of Securities Unsold.....	563,564.57	
Less Depreciation on Securities Sold, taken prior to January 1, 1937.....	8,303.08	
Less Loss from sales of these Securities	2,431.27	5,871.81
		557,692.76
		181,462.47
Add:		
Transfer to Contingency Reserve.....	167,404.64	
Less transfer from Special Reserve.....	16,733.08	150,671.56
Deducted from Surplus.....		332,134.03
Surplus January 1, 1937.....		862,644.29
Surplus December 31, 1937.....		\$530,510.26

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1937

## ADMITTED ASSETS

Real Estate.....		\$	39,377.18
Mortgage Loans on Real Estate.....			725,850.00
*Securities:			
Bonds.....	\$1,577,604.64		
Stocks.....	825,840.00		2,403,444.64
Premiums and Agents' Balances in Course of Collection.....	\$698,307.30		
Less Reinsurance Payable.....	49,523.81	648,783.49	
Less Premiums and Agents' Balances more than Ninety Days due.....	62,011.42		586,772.07
Cash in Banks and Offices.....			700,625.86
Reinsurance and Other Accounts Receivable.....			38,641.23
Interest Due and Accrued.....			21,324.90
			<u>\$4,516,035.88</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share).....	\$1,000,000.00		
Surplus and Undivided Profits.....	530,510.26		
Reserve for Unearned Premiums.....	1,369,295.77		
Reserve for Reported Losses.....	874,426.26		
Reserve for Unreported Losses:			
Allocated to Specific Lines.....	\$ 250,000.00		
Unallocated (Voluntary).....	5,624.57	255,624.57	
Reserve for Expenses, Taxes and Other Liabilities.....	318,774.38		
*Contingency Reserve.....	167,404.64		
			<u>\$4,516,035.88</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York. The market value of amortizable bonds is \$167,404.64 less than their amortized value with Contingency Reserve set up as a Liability to adjust amortized values to market values.

Securities carried at \$552,663.99 in the above statement are deposited for purposes required by law.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

review show:		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$658,139.12	(Increase	\$30,657.57)
Less Reinsurance Ceded.....	116,261.84	(Increase	12,087.88)
Net Premiums Written.....	541,877.28	(Increase	18,569.69)
Increase in Unearned Premium Reserve.....	17,518.01	(Increase	2,442.12)
Earned Premiums.....	524,359.27	(Increase	16,127.57)
From Securities—Interest and Dividends.....	55,642.09	(Increase	4,865.54)
TOTAL INCOME.....	<u>\$580,001.36</u>	(Increase	20,993.11)
OUTGO:			
For Operating Expenses Paid.....	\$174,999.64	(Increase	6,203.62)
For Claim Expenses Paid.....	21,853.14	(Increase	14,615.28)
For Commissions Paid.....	115,318.57	(Decrease	3,390.13)
For Taxes Paid.....	30,429.80	(Increase	8,185.80)
For Losses Incurred.....	\$158,144.28	(Increase	15,162.08)
Less Cash Salvage.....	30,805.93	(Decrease	7,955.98)
Net Losses Incurred.....	127,338.35	(Increase	23,118.06)
TOTAL OUTGO.....	<u>\$469,939.50</u>	(Increase	48,732.63)
EXCESS OF INCOME OVER OUTGO.....			\$110,061.86
(Decrease \$27,739.52)			
INCREASE IN:			
Reserve for Expenses and Taxes.....	\$ 688.64		
DECREASE IN:			
Reserve for Overdue Premiums.....	463.24	\$ 225.40	
Agents' Balances charged off.....		276.35	501.75
Investment Income and Underwriting Profit Less Reserves.....			109,560.11
Deduct:			
Transfer to Reserve for Depreciation of Securities Unsold.....	\$ 35,312.08		
Less Contingency Reserve.....	25,094.18	10,217.90	
Less Profit on Sale of Securities.....		6,297.00	3,920.90
			105,639.21
Deduct:			
Transfer to Reserve for Unreported Losses.....	10,000.00		
Dividends Paid.....	30,000.00		40,000.00
Added to Surplus.....			65,639.21
Surplus January 1, 1937.....			440,416.41
Surplus December 31, 1937.....			<u>\$506,055.62</u>

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1937

## ADMITTED ASSETS

*Bonds, Stocks and Debentures . . . . .		\$1,364,110.97
Premiums and Agents' Balances in Course of Collection . . . . .	\$90,558.27	
Less Reinsurance Payable . . . . .	<u>21,031.17</u>	\$69,527.10
Less Premiums and Agents' Balances more than Ninety Days due . . . . .	<u>9,115.56</u>	60,411.54
Cash in Banks and Offices . . . . .		80,375.40
Reinsurance Receivable . . . . .		10,758.31
Accrued Interest Receivable . . . . .		<u>13,855.87</u>
		\$1,529,512.09

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share) . . . . .	\$ 500,000.00
Surplus and Undivided Profits . . . . .	506,055.62
Reserve for Unearned Premiums . . . . .	264,491.55
Reserve for Reported Losses . . . . .	146,401.46
Reserve for Unreported Losses . . . . .	75,000.00
Reserve for Expenses and Taxes . . . . .	<u>37,563.46</u>
	\$1,529,512.09

\*Bonds, Stocks and Debentures are stated at values established by the Insurance Department of the Dominion of Canada. Market value of these securities is \$1,365,989.21.

Securities carried at \$245,435.59 in the above statement are deposited for purposes required by law.



The revenue accounts of COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$431,297.55	(Decrease \$ 2,858.36)
Less Reinsurance Ceded.....	113,748.83	(Decrease 1,554.84)
Net Premiums Written.....	317,548.72	(Decrease 1,303.52)
Decrease in Unearned Premium Reserve.....	331.26	(Decrease 27,946.50)
Earned Premiums.....	317,879.98	(Increase 26,642.98)
From Buildings—Rents Less Operating Cost.....	11,077.19	(Increase 56.59)
From Securities—Interest and Dividends.....	32,986.31	(Increase 6,515.00)
TOTAL INCOME.....	<u>\$361,943.48</u>	(Increase 33,214.57)
OUTGO:		
For Operating Expenses Paid.....	\$ 85,894.05	(Increase 2,373.24)
For Claim Expenses Paid.....	6,783.78	(Decrease 1,891.28)
For Taxes Paid.....	22,396.92	(Decrease 591.00)
For Commissions Paid.....	26,163.79	(Increase 2,731.52)
For Losses Incurred.....	\$89,291.54	(Increase 10,908.06)
Less Cash Salvage.....	30,653.63	(Increase 6,344.78)
Net Losses Incurred.....	58,637.91	(Increase 4,563.28)
TOTAL OUTGO.....	<u>\$199,876.45</u>	(Increase 7,185.75)
EXCESS OF INCOME OVER OUTGO.....		\$162,067.03
(Increase \$26,028.82)		
Less Adjustment in Reducing to Dollars at 3.60.....		52,449.44
Investment Income and Underwriting Profit Less Reserves.....		\$109,617.59
Deduct:		
Transfer to Reserve for Depreciation of Securities Unsold.....		75,478.53
		34,139.06
Deduct:		
Loss on Sale of Real Estate.....	\$ 1,001.04	
Dividends Paid.....	50,000.00	51,001.04
Deducted from Surplus.....		16,861.98
Surplus January 1, 1937.....		203,703.71
Surplus December 31, 1937.....		<u>\$186,841.73</u>

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1937

(Converted into United States Currency, in the ratio of 3.60 Mexican Pesos, to One United States Dollar for Mexican items and in the ratio of Two Mexican Pesos, to One United States Dollar, for Dollar items)

ADMITTED ASSETS

Real Estate—Unencumbered.....		\$114,610.11
*Bonds and Stocks (At Market Value).....	153,587.67	
Premiums in Course of Collection.....	13,359.46	
Cash in Banks and Office.....	312,862.24	
Cash Deposits under Law.....	53,929.55	
Mortgage Loans.....	115,541.00	
Reinsurance and Accounts Receivable.....	7,754.34	
Interest Due and Accrued.....	3,420.79	
		<hr/>
		\$775,065.16

LIABILITIES

Capital Stock (5,000 Shares. Par Value \$50.00 per Share).....		\$250,000.00
Surplus and Undivided Profits.....	\$186,841.73	
Legal Fund Provision.....	46,296.29	233,138.02
		<hr/>
Reserve for Unearned Premiums.....	172,855.30	
Reserve for Reported Losses.....	76,122.32	
Reserve for Unreported Losses.....	25,000.00	
Reserve for Expenses and Taxes.....	17,949.52	
		<hr/>
		\$775,065.16

\*Securities carried at \$11,020.00 in the above statement and Cash amounting to \$53,929.55 are deposited for purposes required by law.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . .	\$ 12,176.09
<b>TOTAL INCOME . . . . .</b>	<b>\$ 12,176.09</b>

OUTGO:

For Expenses Paid . . . . .	11.08
For Taxes Paid . . . . .	1,837.04
<b>TOTAL OUTGO . . . . .</b>	<b>\$ 1,848.12</b>

EXCESS OF INCOME OVER OUTGO . . . . .	\$ 10,327.97
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Deduct:

Depreciation during 1937 in value of Investments . . . . .	76,898.50
	66,570.53

Add:

Dividends Paid . . . . .	10,500.00
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Deduct from Surplus . . . . .	77,070.53
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Surplus January 1, 1937 . . . . .	152,721.37
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Surplus December 31, 1937 . . . . .	\$ 75,650.84
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## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1937

### RESOURCES

Bonds and Stocks (At Market Value) . . . . .	\$ 84,915.33
Cash in Banks . . . . .	13,494.15
Real Estate Mortgage and other Loans Receivable . . . . .	121,221.36
Accounts Receivable less Reserve . . . . .	7,520.00

\$227,150.84

### LIABILITIES

Capital Stock (3,000 Shares. Par Value \$50.00 per Share) . . . . .	\$150,000.00
Surplus . . . . .	75,650.84
Reserve for Taxes . . . . .	1,500.00

\$227,150.84

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 300,000	U. S. of America Treasury Notes, Ser. "D" $2\frac{1}{2}\%$ , 1938.....	\$ 300,000.00
650,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1939.....	656,500.00
500,000	U. S. of America Treasury Notes, Ser. "A" $2\frac{1}{8}\%$ , 1939.....	510,000.00
300,000	U. S. of America Treasury Notes, Ser. "D" $1\frac{3}{8}\%$ , 1939.....	303,000.00
500,000	U. S. of America Treasury Notes, Ser. "B" $1\frac{3}{8}\%$ , 1939.....	505,000.00
400,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{5}{8}\%$ , 1940.....	408,000.00
700,000	U. S. of America Treasury Notes, Ser. "B" $1\frac{1}{2}\%$ , June, 1940.....	714,000.00
200,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , Dec., 1940.....	204,000.00
200,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{1}{2}\%$ , 1941.....	202,000.00
20,000	U. S. of America Treasury Bonds $3\frac{3}{8}\%$ , 1943/1941.....	21,400.00
269,000	U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1945/1943.....	287,830.00
84,500	U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1946/1944.....	90,415.00
25,000	U. S. of America Treasury Bonds $3\%$ , 1948/1946.....	26,250.00
75,000	U. S. of America Treasury Bonds $3\frac{1}{8}\%$ , 1952/1949.....	79,500.00
75,000	U. S. of America Treasury Bonds $2\frac{1}{2}\%$ , 1953.....	75,000.00
40,000	U. S. of America Treasury Bonds $3\%$ , 1955/1951.....	41,600.00
50,000	U. S. of America Treasury Bonds $2\frac{7}{8}\%$ , 1960/1955.....	51,000.00

\$4,388,500

\$4,475,495.00

## STATE, U. S. POSSESSIONS AND CANADIAN BONDS

\$ 50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1940.....	\$ 51,000.00
50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1941.....	51,000.00
25,000	N. Y. State Emerg. Construction $2\frac{1}{4}\%$ , 1940.....	25,250.00
100,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1941.....	101,000.00
75,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1942.....	75,750.00
10,000	Porto Rico Workingmen's House Cons., Ser. "B" $4\frac{1}{2}\%$ , 1942/1940.....	10,700.00
5,000	Porto Rico Public Improvement, Ser. "A" $5\%$ , 1945/1944.....	5,450.00
10,000	Porto Rico Irrigation Loan of 1915, Ser. "F" $4\%$ , 1956.....	10,900.00
20,000	Dominion of Canada, $3\frac{1}{2}\%$ , 1949/1944.....	20,600.00
50,000	Province of Alberta, Canada, $4\%$ , 1957.....	28,000.00
50,000	Province of Manitoba, Canada, $4\%$ , 1957.....	41,000.00
20,000	City of Winnipeg, Dominion of Canada, Con. Deb. $5\%$ , 1943.....	19,400.00

\$ 465,000

\$ 440,050.00

## MUNICIPAL BONDS

\$ 35,000	Nassau County, N. Y. $2\frac{3}{4}\%$ , 1938.....	\$ 35,000.00
50,000	Erie County, N. Y. $2.20\%$ , 1939.....	50,000.00
65,000	Nassau County, N. Y. $2\frac{3}{4}\%$ , 1939.....	65,000.00
35,000	Monroe County, N. Y. $2\%$ , 1940.....	34,300.00
50,000	City of Syracuse, N. Y. $2\%$ , 1940.....	50,500.00



# AMERICAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 50,000	City of Boston, Mass. 2¼%, 1940.....	\$ 49,000.00
10,000	City of Buffalo, N. Y. 2½%, 1940.....	10,100.00
35,000	Albany County, N. Y. 2%, 1941.....	33,250.00
35,000	Monroe County, N. Y. 2%, 1941.....	34,300.00
25,000	Rockland County, N. Y. 1¾%, 1941.....	25,000.00
50,000	City of Syracuse, N. Y. 2%, 1941.....	50,500.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,000.00
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\$ 490,000		\$ 487,950.00
	RAILROAD BONDS	
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. 4%, 1939.....	\$ 48,000.00
200,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	64,000.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., Ser. "D" 5%, 2000..	18,500.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	4,500.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	10,000.00
480,000	Chicago & Northwestern Ry. Co. Conv. 4¾%, 1949.....	28,800.00
100,000	Delaware & Hudson R. R. Co. 1st Ref. 4%, 1943.....	51,000.00
40,000	Erie R. R. Co. Consolidated General Lien 4%, 1996.....	22,000.00
23,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	13,800.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977....	42,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	2,125.00
200,000	Southern Pacific Co. 4½%, 1969.....	122,000.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956..	24,000.00
16,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	13,440.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	17,000.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	6,500.00
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\$ 1,821,500		\$ 487,665.00
	PUBLIC UTILITY BONDS	
\$ 50,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1938.....	\$ 30,000.00
50,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1939.....	27,500.00
6,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1940.....	3,000.00
44,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1941.....	22,000.00
100,000	Western Union Telegraph Co. 5%, 1951.....	61,000.00
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\$ 250,000		\$ 143,500.00
	INDUSTRIAL BONDS	
\$ 25,000	Armour & Co. of Delaware 1st Mtge. Sink. Fund, Ser. "B" 4%, 1955..	\$ 21,750.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	96,000.00
50,000	General Cable Corp. 1st Mtge. Sink. Fund, Ser. "A" 5½%, 1947....	49,000.00
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\$ 175,000		\$ 166,750.00

# AMERICAN SURETY COMPANY—Continued

## RAILROAD STOCKS

### DEPARTMENT VALUES

3,000 Shares Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd.....	\$ 210,000.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	36,000.00
1,000 Shares Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd.....	12,000.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co.....	14,000.00
3,000 Shares Erie R. R. Co. \$4 Non-Cum. First Pfd.....	30,000.00
2,000 Shares Hudson & Manhattan R. R. Co. Common.....	4,000.00
3,300 Shares New York Central R. R. Co. Common.....	56,100.00
1,000 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.....	5,000.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	4,000.00
2,000 Shares Northern Pacific Railway Co. Common.....	20,000.00
5,625 Shares Pennsylvania R. R. Co.....	118,125.00
2,100 Shares Reading Co. Common.....	39,900.00
600 Shares St. Louis-San Francisco Railway Co. Common.....	600.00
2,000 Shares Southern Pacific Co. Common.....	36,000.00
4,000 Shares Southern Railway Co. \$5 Non-Cum. Pfd.....	76,000.00
7,000 Shares Southern Railway Co. Common.....	77,000.00
1,000 Shares Texas & Pacific Railway Co. Common.....	18,000.00

\$ 756,725.00

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..	\$ 30,000.00
2,000 Shares Brooklyn-Manhattan Transit Corp. \$6 Cum. Pfd. Series "A".....	56,000.00
834 Shares Commonwealth & Southern Corp. \$6 Cum. Pfd.....	32,526.00
4,000 Shares Consolidated Edison Co. of N. Y. \$5 Cum. Pfd.....	392,000.00
2,000 Shares Consolidated Edison Co. of N. Y. Common.....	44,000.00
1,000 Shares Duquesne Light Co. \$5 Cum. First Pfd.....	114,000.00
1,400 Shares Engineers Public Service Co. \$5 Cum. Conv. Pfd.....	64,400.00
1,000 Shares The United Corporations \$3 Cum. Pfce.....	31,000.00
1,000 Shares The United Corporation Common.....	3,000.00

\$ 766,926.00

## BANK STOCKS

7,032 Shares Chase National Bank of the City of New York.....	\$ 225,024.00
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## MISCELLANEOUS STOCKS

214 Shares Allis-Chalmers Mfg. Co.....	\$ 10,272.00
703.2 Shares Amerex Holding Corp.....	11,954.40
500 Shares American Ice Co. \$6 Non-Cum. Pfd.....	8,500.00
1,000 Shares American Locomotive Co. \$7 Cum. Pfd.....	65,000.00
500 Shares American Sugar Refining Co. \$7 Cum. Pfd.....	55,000.00
1,100 Shares General Foods Corp.....	34,100.00

# AMERICAN SURETY COMPANY—Continued

MISCELLANEOUS STOCKS—Continued	DEPARTMENT VALUES
3,000 Shares Ohio Oil Corp. ....	\$ 39,000.00
2,000 Shares Pullman, Inc. ....	60,000.00
4,000 Shares Socony Vacuum Oil Co., Inc. ....	60,000.00
1,000 Shares Texas Corp. ....	40,000.00
2,500 Shares United States Steel Corp. Common. ....	135,000.00
1,000 Shares F. W. Woolworth Co. ....	37,000.00
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	\$ 555,826.40

## STOCKS OF SUBSIDIARY COMPANIES

800 Shares Amnyco Printing & Supply Corp. } .....	\$ 190,000.00
3,000 Shares Amsuco Securities Company } .....	
4,318 Shares Canadian Surety Company. ....	519,926.37
4,975 Shares Compania Mexicana de Garantias, S. A. ....	248,750.00
39,980 Shares New York Casualty Company. ....	1,239,380.00
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	\$ 2,198,056.37

## PAR VALUE

## RECAPITULATION

\$4,388,500 U. S. Government Bonds. ....	\$ 4,475,495.00
465,000 State, U. S. Possessions and Canadian Bonds. ....	440,050.00
490,000 Municipal Bonds. ....	487,950.00
1,821,500 Railroad Bonds. ....	487,665.00
250,000 Public Utility Bonds. ....	143,500.00
175,000 Industrial Bonds. ....	166,750.00
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\$7,590,000 Total of Bonds. ....	\$ 6,201,410.00
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Railroad Stocks. ....	\$ 756,725.00
Public Utility Stocks. ....	766,926.00
Bank Stocks. ....	225,024.00
Miscellaneous Stocks. ....	555,826.40
Stocks of Subsidiary Companies. ....	2,198,056.37
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Total of Stocks. ....	\$ 4,502,557.77

## GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK. ....\$10,703,967.77

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are stated at \$900,826.62 less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	DEPARTMENT VALUES
\$320,800	Various Mortgage Loans on Real Estate, N. Y., 1937.....	\$ 320,800.00
12,125	Various Mortgage Loans on Real Estate, N. Y., 1938.....	12,125.00
19,500	Various Mortgage Loans on Real Estate, N. Y., 1939.....	19,500.00
118,405	Various Mortgage Loans on Real Estate, N. Y., 1940.....	118,405.00
198,070	Various Mortgage Loans on Real Estate, N. Y., 1941.....	198,070.00
23,950	Various Mortgage Loans on Real Estate, N. Y., 1942.....	23,950.00
6,000	Various Mortgage Loans on Real Estate, N. Y., 1943.....	6,000.00
27,000	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1947.....	27,000.00
\$725,850		\$ 725,850.00

## U. S. GOVERNMENT BONDS

\$ 50,000	U. S. of America Treasury Notes, Ser. "D" $2\frac{1}{2}\%$ , 1938.....	\$ 50,000.00
65,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1939.....	65,650.00
30,000	U. S. of America Treasury Notes, Ser. "A" $2\frac{1}{8}\%$ , 1939.....	30,600.00
50,000	U. S. of America Treasury Notes, Ser. "D" $1\frac{3}{8}\%$ , 1939.....	50,500.00
50,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{5}{8}\%$ , 1940.....	51,000.00
55,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1940.....	56,100.00
50,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{1}{2}\%$ , 1941.....	50,500.00
172,000	U. S. of America Treasury Bonds, $3\frac{1}{4}\%$ , 1945/1943.....	184,040.00
10,000	U. S. of America Treasury Bonds, $3\frac{1}{4}\%$ , 1946/1944.....	10,700.00
20,000	U. S. of America Treasury Bonds, $2\frac{1}{2}\%$ , 1953/1949.....	20,000.00
10,000	U. S. of America Treasury Bonds, $3\%$ , 1955/1951.....	10,400.00
10,000	U. S. of America Treasury Bonds, $2\frac{7}{8}\%$ , 1960/1955.....	10,200.00
10,000	Home Owners' Loan Corp. of U. S. A. $2\frac{3}{4}\%$ , 1949/1939.....	10,200.00
15,000	Home Owners' Loan Corp. of U. S. A. $3\%$ , 1952/1944.....	15,600.00
\$597,000		\$ 615,490.00

## STATE BONDS

\$ 50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1940.....	\$ 51,000.00
50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1941.....	51,000.00
25,000	N. Y. State Emerg. Construction $2\frac{1}{4}\%$ , 1940.....	25,250.00
50,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1941.....	50,500.00
75,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1942.....	75,750.00
\$250,000		\$ 253,500.00

## MUNICIPAL BONDS

\$ 10,000	Erie County, N. Y. $2.20\%$ , 1939.....	\$ 10,000.00
30,000	City of Boston, Mass. $2\frac{1}{4}\%$ , 1940.....	29,400.00
50,000	City of Syracuse, N. Y. $2\%$ , 1941.....	50,500.00
10,000	N. Y. City Harlem River Bridge Construction $3\frac{1}{2}\%$ , 1941.....	10,400.00



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 10,000	N. Y. City High Schools & Sites Therefor 3½%, 1941.....	\$ 10,600.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,000.00
\$160,000		\$ 161,900.00

## RAILROAD BONDS

\$ 50,000	Ann Arbor R. R. Co. 1st Mtge. 4%, 1995.....	\$ 19,000.00
20,000	Atlantic & Danville Ry. Co. 1st Mtge. 4%, 1948.....	6,200.00
50,000	Baltimore & Ohio R. R. Secured Notes 4½%, 1939.....	30,500.00
17,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge. Ser. "A" 4%, 1959.....	9,010.00
50,000	Boston & Maine R. R. Co. 1st Mtge. 5%, 1955.....	22,000.00
50,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	25,500.00
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mtge. Ser. "A", 5%, 1957.....	15,900.00
20,000	Ill. Cent. R. R. Co. & Chic., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	8,600.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938.....	2,200.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	1,400.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	1,400.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	18,000.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013.....	14,400.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	37,000.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	3,000.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	16,200.00
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	10,000.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	34,500.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	9,000.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	7,500.00
\$717,000		\$ 291,310.00

## PUBLIC UTILITY BONDS

\$ 10,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1938.....	\$ 6,000.00
50,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1941.....	25,000.00
50,000	Standard Gas & Electric Co. of Delaware Deb. Series "A" 6%, 1951..	26,500.00
50,000	Western Union Telegraph 5%, 1951.....	30,500.00
\$160,000		\$ 88,000.00

## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 18,000.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	6,000.00

# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

	DEPARTMENT VALUES
2,000 Shares Canadian Pacific R. R. Co. Common.....	\$ 14,000.00
500 Shares Chicago & North Western Railway Co. Common.....	500.00
500 Shares Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5)...	1,000.00
500 Shares Great Northern Railway Co. \$4 Non-Cum. Pfd.....	11,000.00
500 Shares Illinois Central R. R. Co. Common.....	4,500.00
500 Shares Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	4,000.00
500 Shares Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd.....	1,000.00
650 Shares New York Central R. R. Co. Common.....	11,050.00
500 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.....	2,500.00
500 Shares Norfolk & Western Railway Co. Common.....	96,000.00
500 Shares Northern Pacific Railway Co. Common.....	5,000.00
600 Shares Pennsylvania R. R. Co.....	12,600.00
445 Shares St. Louis-San Francisco Railway Co. Common.....	445.00
500 Shares Southern Pacific Co. Common.....	9,000.00
500 Shares Southern Railway Co. Common.....	5,500.00
500 Shares Union Pacific Railway Co. Common.....	41,500.00
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	\$ 243,595.00

## PUBLIC UTILITY STOCKS

200 Shares American Gas & Electric Co. \$6 Cum. Pfd.....	\$ 21,800.00
500 Shares American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd.....	42,500.00
1,100 Shares Consolidated Edison Co. of N. Y. Common.....	24,200.00
200 Shares Electric Bond & Share Co. \$5 Cum. Pfd.....	9,800.00
200 Shares Electric Power & Light Co. \$6 Cum. Pfd.....	6,600.00
500 Shares Electric Power & Light Co. Common.....	5,500.00
500 Shares Federal Light & Traction Co. \$6 Cum. Pfd.....	36,500.00
500 Shares North American Co. \$3 Cum. Pfd.....	25,000.00
500 Shares Standard Gas & Electric Co. \$4 Cum. Pfd.....	4,500.00
600 Shares United Gas Improvement Co. Common.....	6,600.00
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	\$ 183,000.00

## BANK AND TRUST COMPANY STOCKS

70 Shares Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 5,390.00
500 Shares Chase National Bank of The City of New York.....	16,000.00
10 Shares First National Bank of The City of New York.....	17,600.00
200 Shares Girard Trust Co., Philadelphia, Pa.....	17,000.00
65 Shares Guaranty Trust Co. of the City of New York.....	15,210.00
1,750 Shares Manhattan Co., New York, N. Y.....	38,500.00
1,750 Shares New York Title and Mortgage Corp.....	0.00
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	\$ 109,700.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS

DEPARTMENT  
VALUES

50 Shares Amerex Holding Corp. . . . .	\$ 850.00
600 Shares American Smelting & Refining Co. Common . . . . .	27,600.00
500 Shares Anaconda Copper Mining Co. . . . .	15,000.00
500 Shares Eastman Kodak Co. Common . . . . .	81,500.00
1,000 Shares General Foods Corp. . . . .	31,000.00
500 Shares Kennecott Copper Co. . . . .	17,500.00
53 Shares Mission Corp. . . . .	795.00
800 Shares National Biscuit Co. . . . .	14,400.00
500 Shares Pullman, Inc. . . . .	15,000.00
1,000 Shares Standard Oil Co. of New Jersey . . . . .	45,000.00
1,000 Shares Socony-Vacuum Oil Co., Inc. . . . .	15,000.00
700 Shares F. W. Woolworth Co. . . . .	25,900.00

\$ 289,545.00

PAR  
VALUE

## RECAPITULATION

\$ 732,155 Mortgage Loans . . . . .	\$ 725,850.00
\$ 597,000 U. S. Government Bonds . . . . .	\$ 615,490.00
250,000 State Bonds . . . . .	253,500.00
160,000 Municipal Bonds . . . . .	161,900.00
717,000 Railroad Bonds . . . . .	291,310.00
160,000 Public Utility Bonds . . . . .	88,000.00

\$1,884,000	Total of Bonds . . . . .	\$1,410,200.00
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Railroad Stocks . . . . .	\$ 243,595.00
Public Utility Stocks . . . . .	183,000.00
Bank and Trust Company Stocks . . . . .	109,700.00
Miscellaneous Stocks . . . . .	289,545.00

Total of Stocks . . . . .	\$ 825,840.00
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## GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS

OWNED BY NEW YORK CASUALTY COMPANY . . . . . \$2,961,890.00

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values established by the Insurance Department of the State of New York.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 14,000.00	Dominion of Canada, 4½%, 1948/58. ....	\$ 15,260.00
75,000.00	Dominion of Canada, Conversion Loan, 4½%, 1949/59. ....	81,750.00
20,000.00	Dominion of Canada, 3¼%, 1949. ....	20,000.00
117,000.00	Dominion of Canada, 3%, 1955 or earlier. ....	112,320.00
20,000.00	Dominion of Canada, 3¼%, 1948/51. ....	19,800.00
5,000.00	Dominion of Canada, 3¼%, 1956/61. ....	4,950.00
45,000.00	Dominion of Canada, 3¼%, 1956/66. ....	44,100.00
26,000.00	Canadian National Railway Gtd. by Dominion of Canada, 4½%, 1957	29,120.00
5,000.00	Canadian National Railway Gtd. by Dominion of Canada, 4½%, 1956	5,600.00
5,000.00	Canadian National Railway Equipment Trust Series "K" Gtd. by Dominion of Canada, 5%, 1939. ....	5,150.00
15,000.00	Dominion of Canada fully subsidizing St. John Dry Dock & Shipbuild- ing Co. 3%, 1950 or earlier. ....	14,550.00
87,000.00	Canadian National Railway Gtd. by Dominion of Canada, 3%, 1948/53	82,650.00
14,580.00	Grand Trunk Pacific Railway Gtd. by Dominion of Canada, 4%, 1962	15,454.80
5,000.00	Province of Alberta, 4½%, 1956. ....	2,700.00
10,000.00	Province of New Brunswick, 5%, 1959. ....	11,000.00
10,000.00	Province of New Brunswick, 3%, 1951. ....	9,300.00
11,000.00	Province of New Brunswick, 3¼%, 1945. ....	10,450.00
5,000.00	Province of New Brunswick, 4%, 1945/47. ....	5,000.00
15,000.00	Province of Quebec, 3%, 1951. ....	14,400.00
5,000.00	Province of Nova Scotia, 5%, 1960. ....	5,800.00
20,000.00	Province of Nova Scotia, 3%, 1947. ....	19,400.00
10,000.00	Province of Nova Scotia, 4½%, 1961. ....	11,000.00
26,000.00	Province of Ontario, 5%, 1948. ....	29,900.00
10,000.00	Province of Ontario, 3%, 1951. ....	9,700.00
25,000.00	Hydro-Electric Power Comm. of Ont. Gtd. by Prov. of Ont., 4%, 1957	26,750.00
10,000.00	T. & N. O. Railway Commission Gtd. by Prov. of Ontario, 4%, 1965..	10,500.00
25,000.00	Kingdom of Norway External Loan, 4%, 1963. ....	25,500.00
\$635,580.00		\$642,104.80

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941. ....	\$ 10,500.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939. ....	1,400.00
1,000.00	City of Brandon, Manitoba, 4½%, 1942. ....	700.00
2,000.00	City of Brantford, Ontario, 4½%, 1942. ....	2,100.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 4,000.00	City of Brantford, Ontario, 5%, 1944.....	\$ 4,360.00
5,000.00	City of Charlottetown, P. E. I., 3½%, 1952.....	5,000.00
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	2,080.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.....	4,200.00
5,000.00	City of Halifax, Nova Scotia, 5%, 1961.....	5,600.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	1,985.59
4,000.00	City of Hamilton, Ontario, 5%, 1938.....	4,040.00
6,000.00	City of Hamilton, Ontario, 5%, 1939.....	6,180.00
10,000.00	City of Hamilton, Ontario, 3½%, 1954.....	9,700.00
5,000.00	City of Hamilton, Ontario, 5%, 1947.....	5,550.00
10,000.00	Montreal Metropolitan Commission, 5%, 1966.....	11,000.00
10,000.00	City of Montreal, 3½%, 1944.....	10,000.00
10,000.00	City of Montreal, 4%, 1945.....	10,200.00
3,143.79	City of Niagara Falls, Ontario, 5½%, 1938.....	3,143.79
9,000.00	City of Niagara Falls, Ontario, 4½%, 1938/52.....	8,820.00
10,000.00	City of North Bay, Ontario, 5%, 1938/41.....	10,000.00
2,000.00	City of North Bay, Ontario, 5%, 1942/43.....	1,860.00
2,000.00	City of Oshawa, Ontario, 5½%, 1946.....	2,140.00
5,000.00	City of Oshawa, Ontario, 5%, 1938.....	5,000.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,480.00
10,000.00	City of Peterborough, Ontario, 4½%, 1939.....	10,300.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,150.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	3,850.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951.....	1,200.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	3,650.00
5,000.00	City of St. John, New Brunswick, 4½%, 1971.....	5,300.00
10,000.00	City and County of St. John, New Brunswick, 4½%, 1971.....	10,600.00
5,000.00	City of Sarnia, Ontario, 6%, 1939.....	5,150.00
5,000.00	City of Sherbrooke, Quebec, 3½%, 1955.....	5,000.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	15,300.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,160.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952.....	5,940.00
15,000.00	City of Toronto, Ontario, 5%, 1945.....	17,100.00
10,000.00	Toronto Harbour Comm. Gtd. by City of Toronto, 3%, 1947.....	9,800.00
15,000.00	City of Victoria, British Columbia, 5½%, 1941.....	12,600.00
1,000.00	City of Victoria, British Columbia, 5½%, 1941.....	840.00
1,000.00	City of Victoria, British Columbia, 5½%, 1945.....	850.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 2,000.00	City of Welland, Ontario, 4½%, 1939.....	\$ 2,040.00
3,000.00	City of Winnipeg, Manitoba, 4½%, 1950.....	2,910.00
1,703.33	City of Winnipeg, Manitoba, Reg'd Stock, 4½%, 1943/63.....	1,618.16
6,693.58	City of Windsor, Ontario, 1½%, 1975.....	2,744.37
9,964.20	City of Windsor, Ontario, 3¼%, 1975.....	6,974.94
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952.....	4,440.00
3,000.00	Town of Collingwood, Ont., Gtd. by County of Simcoe, Ont., 5%, 1944	3,000.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943/44.....	6,660.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945.....	4,520.00
2,000.00	Town of Dundas, Ontario, 5%, 1948.....	2,180.00
8,000.00	Town of Dundas, Ontario, 5%, 1949.....	8,720.00
1,537.49	Town of Renfrew, Ontario, 5%, 1938/41.....	1,552.86
17,000.00	Town of Sorel, Quebec, 5%, 1952.....	18,190.00
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940.....	5,050.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3½%, 1937.....	1,750.00
1,559.09	Town of Watrous, Saskatchewan, 5½%, 1933/56.....	701.59
144.58	Town of Watrous Refunding Debentures, 5½%, 1957/58.....	65.06
6,145.49	Town of Weston, Ontario, 5%, 1947.....	5,530.94
1,243.08	Village of Madoc, Ontario, 5%, 1938/39.....	1,255.51
940.69	Village of Madoc, Ontario, 5%, 1947.....	1,034.76
10,000.00	Township of Barton, Ontario, 5%, 1944.....	10,100.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943/49.....	7,210.00
5,000.00	Township of East York, Ontario, 5½%, 1947.....	3,500.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963.....	1,680.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959.....	6,930.00
900.00	Rural Municipality of St. Vital, Manitoba, 5½%, 1956.....	360.00
5,000.00	Township of Scarborough, Ontario, 5%, 1942.....	3,250.00
10,000.00	Township of Scarborough, Ontario, 5%, 1940.....	6,500.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960.....	2,100.00
5,000.00	Greater Winnipeg Water District, 6%, 1940.....	5,050.00
1,000.00	County of Carleton, Ontario, 6%, 1939.....	1,040.00
4,000.00	County of Carleton, Ontario, 6%, 1941/44.....	4,440.00
4,700.00	United Counties of Lennox and Addington, 4½%, 1938/39.....	4,795.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942.....	7,840.00
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\$407,621.98		\$390,562.57

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS	DEPARTMENT VALUES
\$ 6,000.00	City of Windsor, Ontario, Public Schools, 1½%, 1975 . . . . .	\$ 2,460.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943 . . . . .	7,210.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950/52 . . . . .	6,000.00
1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953 . . . . .	1,000.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953/60 . . . . .	10,863.60
5,000.00	Roman Catholic School, Toronto, 5%, 1945 . . . . .	5,400.00
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\$ 35,346.29		\$ 32,933.60

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp., 3¼%, 1940 . . . . .	\$ 10,000.00
20,000.00	Canada Permanent Mortgage Corp., 3¼%, 1941 . . . . .	20,000.00
10,000.00	Canada Permanent Mortgage Corp., 3½%, 1942 . . . . .	10,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ontario, 4%, 1938 . . . . .	20,000.00
10,000.00	British Columbia Telephone Co., Ltd., 1st Mortgage Gold Bonds, Series B, 4½%, 1961 . . . . .	10,500.00
10,000.00	British Columbia Power Corp., Ltd., 4¼%, 1960 . . . . .	9,900.00
8,000.00	British American Oil Co., Ltd., Sinking Fund Debentures, 4%, 1945 . . . . .	8,240.00
10,000.00	Canada Cement Co., Ltd., 1st Mtge. S. F. Series A, 4¼%, 1951 . . . . .	10,100.00
10,000.00	Canada Steamship Lines, 5%, 1957 . . . . .	7,500.00
5,000.00	Canadian International Paper Co., 1st Mtge., 6%, 1949 or earlier . . . . .	4,950.00
3,000.00	Consolidated Paper Corp., Ltd., 1st Mtge. Gold Bonds, 5½%, 1961 . . . . .	1,890.00
10,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. S. F. Series A, 4%, 1951 . . . . .	10,100.00
10,000.00	Great Lakes Paper Co., 5%, 1955 . . . . .	9,400.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage Sinking Fund, 5½%, 1949 or earlier . . . . .	7,000.00
10,000.00	Gatineau Power Co., 5%, 1956 . . . . .	10,200.00
20,000.00	Massey-Harris Co., Ltd., Toronto, Sinking Fund Debenture Bonds, 5%, 1947 or earlier . . . . .	19,400.00
5,000.00	Price Brothers, Limited, 5%, 1957 . . . . .	4,950.00
7,000.00	Saguenay Power Co., Limited "B", 4¼%, 1966 . . . . .	7,140.00
10,000.00	Simpson's Ltd., 1st Mortgage and Collateral Trust Series A, 4¼%, 1951 or earlier . . . . .	9,400.00
5,000.00	United Gas and Fuel Co. of Hamilton, Ltd., 1st Mortgage Sinking Fund, 5½%, 1948 or earlier . . . . .	5,100.00
5,000.00	United Grain Growers, Ltd., 1st Mortgage Sinking Fund Series A, 5%, 1948 or earlier . . . . .	4,000.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	DEPARTMENT VALUES
\$ 25,000.00	Shawinigan Water & Power Co., 4½%, 1938/70.....	\$ 25,750.00
20,000.00	Canadian Pacific Railway, Convertible, 3½%, 1951.....	18,400.00
<u>\$253,000.00</u>		<u>\$243,920.00</u>

## STOCKS

100 Shares	International Milling Co., Cumulative Sinking Fund, 5%, First Preferred—par value \$100.00.....	\$ 9,800.00
50 Shares	Goodyear Tire & Rubber Co. of Canada, Ltd., Cumulative Redeemable Preferred—par value \$50.00, 5%.....	2,750.00
50 Shares	Southern Canada Power Co., par value \$100.00, 6%.....	5,350.00
200 Shares	Canadian Pacific Railway Stock, Common, par value \$25.00.....	1,800.00
95 Shares	Consolidated Paper Corp., Ltd. (non assessable, no par value).....	—
30 Shares	Bell Telephone Co. of Canada (Common).....	4,890.00
		<u>\$24,590.00</u>

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	
\$ 10,000.00	Canada Permanent Trust Company, Toronto, 4%, 1939.....	\$10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 4%, 1940.....	5,000.00
10,000.00	Toronto General Trusts Corp., Toronto, 4%, 1939.....	10,000.00
5,000.00	Trusts and Guarantee Co., Toronto, 4¾%, 1939.....	5,000.00
<u>\$ 30,000.00</u>		<u>\$30,000.00</u>

## RECAPITULATION

\$ 635,580.00	Government Bonds.....	\$ 642,104.80
407,621.98	Municipal Bonds.....	390,562.57
35,346.29	School Bonds.....	32,933.60
253,000.00	Miscellaneous Bonds.....	243,920.00
<u>\$1,331,548.27</u>		<u>\$1,309,520.97</u>
	Stocks.....	24,590.00
	Deposits with Trust Companies for Investment.....	30,000.00
	<b>GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....</b>	<b>\$1,364,110.97</b>

NOTE: Securities are stated at values established by the Insurance Department of the Dominion of Canada.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	\$ 9,562.50
10,000	American Power & Light Company Deb. $6\%$ , 2016.....	7,700.00
25,000	Baltimore & Ohio Secured Notes $4\frac{1}{2}\%$ , 1939.....	13,500.00
10,000	Baltimore & Ohio R. R. Conv. $4\frac{1}{2}\%$ , 1960.....	3,150.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" $5\%$ , 1975..	2,300.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" $4\frac{3}{4}\%$ , 1949.....	1,125.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. $4\frac{1}{2}\%$ , 1960.....	425.00
25,000	Delaware & Hudson R. R. Co. 1st & Ref. $4\%$ , 1943.....	12,750.00
10,000	Erie R. R. Company Ref. & Imp. $5\%$ , 1967.....	4,300.00
88,000	Mexican Federal Government Exterior $5\%$ , 1945 Assented.....	3,520.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" $5\%$ , 1955....	9,512.50
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A" $5\frac{1}{2}\%$ , 1952.....	8,450.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit)	1,175.00
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969.....	12,250.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" $5\%$ , 1977.....	8,650.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. $5\%$ , 1958.....	5,900.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" $5\%$ , 1976.....	1,250.00
P300,000	Mexican Federal Government Interior Consol. $3\%$ , 1925.....	7,500.00
1,100	Mexican Federal Government Interior Debt $5\%$ .....	30.56
106,800	United Shoe & Leather Company $5\%$ , 1941.....	20,766.66

STOCKS

100 Shares	American Superpower 1st Preferred.....	7,600.00
84 Shares	Commonwealth & Southern Corporation Preferred.....	3,276.00
600 Shares	Lehigh Valley Coal Corporation Preferred.....	1,950.00
1 Share	Mexico City Country Club.....	1,388.88
200 Shares	Banco Nac. Hipotecario Urbano y de Obras Públicas.....	5,555.56

TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....\$153,587.66

NOTE: Securities are valued at actual market value as of December 31, 1937.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	MARKET VALUE
\$50,000 New England Power Association Deb. 5%, 1948. ....	\$39,375.00

## STOCKS

1 1/3 Shares American Surety Co. (Fractional Script Certificates).....	\$ 50.33
100 Shares Engineers Public Service Co. 5% Cum. Convertible Preferred. ....	4,550.00
1,000 Shares International Paper & Power Co. 7% Cumulative Preferred. ....	31,250.00
1,000 Shares International Paper & Power Co. Common. ....	7,000.00
600 Shares Lehigh Valley Coal Corporation Preferred. ....	1,950.00
9 Shares Title Guaranty & Surety Company. ....	90.00
200 Shares United Corporation Common. ....	650.00
	<hr/>
	\$84,915.33

NOTE: Securities are valued at actual market value as of December 31, 1937.









AMERICAN SURETY COMPANY  
of New York

J. & W. SELIGMAN & CO.  
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REPORT OF THE PRESIDENT  
for 1938









REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED  
DECEMBER 31, 1938

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

A. F. LAFRENTZ  
*President*

W. M. TOMLINS, JR.  
*First Vice-President*

### *Vice-Presidents*

D. H. COOK  
H. P. DUNHAM  
R. B. HAMILTON  
M. L. JENKS  
W. E. MCKELL

L. S. MOORE  
G. L. NAUGHT  
F. J. PARRY  
LEWIS H. PARRY  
E. F. WATSON

W. O. WATERS  
*Treasurer*

C. H. HALL  
*Secretary*

A. A. NELSON  
*Comptroller*

BOARD OF TRUSTEES  
OF  
AMERICAN SURETY COMPANY *of* NEW YORK

JOSEPH F. ABBOTT	JEREMIAH T. MAHONEY
JOHN ANDERSON	W. E. MCKELL
NEWCOMB CARLTON	JEREMIAH MILBANK
FANNIN W. CHARKE	JOHN M. MILLER, JR.
WILBUR L. CUMMINGS	LEWIS H. PARRY
ARTEMUS L. GATES	HARPER SIBLEY
HENRY O. HAVEMEYER	WILLIAM SKINNER
F. COIT JOHNSON	MATTHEW S. SLOAN
JOHN L. KEMMERER	FREDERICK P. SMALL
F. W. LAFRENTZ	W. M. TOMLINS, JR.
A. F. LAFRENTZ	ALBERT H. WIGGIN
JAMES T. LEE	BRONSON WINTHROP



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## ADMITTED ASSETS

	1938	1937	Increase	Decrease
Real Estate.....	\$10,000,000.00	\$10,000,000.00		
*Bonds.....	6,070,737.50	6,553,172.95		\$482,435.45
*Stocks.....	4,655,127.17	4,502,557.77	\$ 152,569.40	
Premiums in Course of Col- lection (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due)....	1,729,805.78	1,447,760.11	282,045.67	
Cash in Banks and Offices....	4,119,859.50	3,024,945.64	1,094,913.86	
Reinsurance and Other Accounts Receivable.....	120,860.15	110,197.38	10,662.77	
Interest and Rents Due and Accrued.....	46,588.97	46,150.55	438.42	
	<u>\$26,742,979.07</u>	<u>\$25,684,784.40</u>	<u>\$1,058,194.67</u>	

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits Reserve for Unearned Premiums.....	5,200,522.53	4,072,584.91	\$1,127,937.62	
Reserve for Reported Losses..	5,866,117.65	5,941,658.69		\$ 75,541.04
Reserve for Unreported Losses:	3,445,945.04	3,642,666.93		196,721.89
Allocated to Specific Lines..	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York.	124,202.48	310,067.35		185,864.87
Unallocated (Voluntary)...	296,316.56	87,622.93	208,693.63	
Reserve for Expenses, Taxes and other Liabilities.....	1,290,082.31	1,198,423.14	91,659.17	
Reserve for Depreciation— H. O. Building.....	1,500,000.00	1,100,000.00	400,000.00	
Dividend Payable— January 3, 1938.....	375,000.00	374,997.50	2.50	
*Contingency Reserve.....	39,792.50	351,762.95		311,970.45
	<u>\$26,742,979.07</u>	<u>\$25,684,784.40</u>	<u>\$1,058,194.67</u>	

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are stated at \$1,351,865.14, December 31, 1938, and \$900,826.62, December 31, 1937, less than their book value, with Contingency Reserve set up as a Liability to adjust amortized values to market values.

January 17, 1939.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1938 (in the fifty-fifth year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written . . . . .	\$11,740,062.96	(Decrease \$3,42,197.21)
Less Reinsurance Ceded . . . . .	2,451,229.54	(Decrease 96,338.90)
Net Premiums Written . . . . .	9,288,833.42	(Decrease 245,858.31)
Decrease in Unearned Premium Reserve . . . . .	75,541.04	(Decrease 221,756.13)
Earned Premiums . . . . .	9,364,374.46	(Decrease 24,102.18)
From Home Office Building— Rents Less Operating Cost . . . . .	537,995.20	(Decrease 22,229.73)
From Securities—Interest and Dividends . . . . .	315,349.96	(Decrease 71,295.84)
TOTAL INCOME . . . . .	<u>\$10,217,719.62</u>	(Decrease 117,627.75)
OUTGO:		
For Operating Expenses Paid . . . . .	\$ 3,579,773.80	(Increase 17,032.39)
For Claim Expenses Paid . . . . .	615,628.97	(Decrease 10,348.32)
For Investment Expenses . . . . .	33,031.23	(Decrease 2,011.43)
For Commissions Paid . . . . .	1,496,522.99	(Decrease 126,360.91)
For Taxes Paid . . . . .	649,350.08	(Increase 69,202.22)
For Losses Incurred . . . . .	\$2,660,063.18	(Decrease 48,265.43)
Less Cash Salvage . . . . .	751,460.87	(Decrease 24,331.74)
Net Losses Incurred . . . . .	1,908,602.31	(Decrease 23,933.69)
TOTAL OUTGO . . . . .	<u>\$ 8,282,909.38</u>	(Decrease 76,419.74)
EXCESS OF INCOME OVER OUTGO . . . . .		\$1,934,810.24
(Decrease of \$41,208.01)		
Deduct—Increase in:		
Reserve for Expenses and Taxes . . . . .	\$ 89,992.98	
Reserve for Depreciation of Building . . . . .	100,000.00	
	189,992.98	
Less—Decrease in:		
Reserve for Overdue Premiums . . . . .	18,320.91	\$ 171,672.07
Agents' Balances Charged Off . . . . .	5,563.19	177,235.26
Investment Income and Underwriting Profit Less Reserves . . . . .		\$1,757,574.98

Brought Forward.....		\$1,757,574.98	
Add:			
Appreciation in Value of Securities.....		449,256.48	
			2,206,831.46
Deduct:			
Loss from Sale of Securities and from Foreign Exchange.....	\$ 6,067.58		
Transfer to Special Reserve.....	22,828.76		
Transfer to Reserve for Depreciation of Home Office Building in addition to annual provision.....	300,000.00	328,896.34	
			1,877,935.12
Dividends Declared.....	750,000.00		
Less Dividend on Fractional Scrip Certificates.....	2.50	749,997.50	
Added to Surplus.....		1,127,937.62	
Surplus January 1, 1938.....		4,072,584.91	
Surplus December 31, 1938.....		\$5,200,522.53	

The net earnings from operations for the year were received from the following sources:

Investment Income after providing \$100,000.00 for depreciation of Home Office Building.....	\$ 720,313.93
Underwriting Profit after Reserves, including provision for Federal Income Tax.....	1,037,261.05

Total Net Earnings.....	1,757,574.98
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Adding Appreciation in Value of Securities owned less loss from Sale of Securities and Foreign Exchange.....	443,188.90
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Produces.....	2,200,763.88
which is accounted for as follows:	

Transfer to Special Reserve.....	22,828.76
Transfer to Reserve for Depreciation of Home Office Building in addi- tion to annual provision.....	300,000.00
Dividends Declared.....	749,997.50
Added to Surplus and Undivided Profits.....	1,127,937.62

The downward trend of Premium volume apparently was arrested in the closing weeks of the year with the result that Net Premiums Written for 1938 were \$245,858.31 less than for the year 1937, a decrease of 2.6%, as compared with a decrease of 4.5% up to the close of November. On an earned premium basis the decrease amounted to \$24,102.18.

The net return from the Home Office Building was \$22,229.73 less than was reported for 1937. This was brought about by a decrease in rentals of \$10,547.67 and an increase in Taxes of \$13,840.29. The twenty-one year lease with the New York Trust Company for the ground



floor, the first eight floors and part of the sub-basement, would have expired May 1, 1942. A new lease for a period of ten years, commencing May 1, 1939, at a substantially reduced rental, has been entered into with the Trust Company. This naturally will adversely affect the revenue from this source in 1939 and subsequent years.

Of the Income from Securities \$162,943.02 represented Interest Earned and \$152,406.94 Dividends Received including \$60,342.44 Dividends from Subsidiary Companies. The decrease in income from this source, as compared with 1937, was due to the decline in Dividend receipts. While dividends amounting to \$172,284.44 were received from our Mexican subsidiary, \$149,250.00 was treated as return of Capital, thereby reducing our investment in that company's stock, and only \$23,034.44 credited to Income, as compared with \$49,749.99 in 1937.

Operating Expenses Paid were slightly higher than for the previous year. The principal item making up the increase was advertising. A further decrease of \$10,348.32 in Claim Expenses Paid occurred. The reduction in Premium volume and Premium Collections resulted in a decrease in Commissions Paid of \$126,360.91. In the Report for 1937 attention was called to the progressive increase in Taxes Paid. Of the premium dollar seven cents was paid in Taxes during 1938. The total amount paid was \$649,350.08. This was an increase over the amount paid in 1937 of \$69,202.22, or approximately 12%.

The downward trend of Net Incurred Losses reported for the past several years continued during 1938, with the result that the Net Incurred Losses decreased \$23,933.69, as compared with 1937. The decrease of \$48,265.43 in Incurred Losses was offset by a \$24,331.74 decrease in Cash Salvages Collected. The loss ratio to Earned Premiums for 1938 was 20.4%, compared with 20.6% for 1937.

The customary annual provision of \$100,000.00 for the Depreciation of the Home Office Building was charged to Operations and credited to Reserve for Depreciation of Home Office Building. An additional \$300,000.00 has been credited to this Reserve out of the Net Earnings for the year.

Based on actual market values, the Company's Securities' portfolio appreciated \$449,256.48. Of this amount, \$137,286.03 was transferred from Reserve for Depreciation of Securities Unsold and \$311,970.45 from Contingency Reserve.

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As of December 31, 1938, Total Admitted Assets amounted to \$26,742,979.07, an increase over December 31, 1937, of \$1,058,194.67.

There has been no change during the year in Unencumbered Real Estate, consisting of a twenty-three story office building located at 100 Broadway, in the City of New York. This property, assessed at \$7,750,000.00, was stated at \$10,000,000.00, the appraised value established June 5, 1933, against which a Reserve of \$1,500,000.00 for depreciation has been set up. The building is now approximately 92% rented, compared with approximately 90% tenancy a year ago.

Securities of \$10,725,864.67 owned as of December 31, 1938, listed in detail in this report, were valued in the following manner:—Amortizable bonds at amortized values, other bonds and stocks at market values established by the Insurance Department, except that the stocks of subsidiaries carried below cost, i.e. \$2,048,806.37, was \$1,351,865.14 less than their aggregate book value at December 31, 1938. As the amortized value of amortizable bonds exceeded the market value of such bonds to the extent of \$39,792.50 a Contingency Reserve has been set up for this amount.

Premiums in Course of Collection amounted to \$2,151,488.45. All accounts considered uncollectible have been written off. Premiums due more than ninety days prior to December



31, 1938, and not collected on or before that date, amounting to \$121,834.05 and Reinsurances Payable of \$299,848.62 were deducted in accordance with the Insurance Department's requirements.

Cash in Banks and Offices totalled \$4,119,859.50, compared with \$3,024,945.64 as of the close of 1937. This was an increase of \$1,094,913.86.

\$75,541.04 of the Reserve for Unearned Premiums, as of December 31, 1937, was released due to the decrease in premium volume. At the year-end this Reserve stood at \$5,866,117.65, which was equal to 63<sup>7</sup>/<sub>100</sub> of net premium income for the year.

The Reserve for Reported Losses of \$3,445,945.04 provided for all unsettled claims of which the Company had knowledge and is deemed sufficient to discharge the Company's liability therefor. Additional Reserves have been maintained to cover unreported and unknown losses. At the close of the year \$1,105,000.00 was allocated to specific lines, \$124,202.48 was allocated to losses due from companies not authorized in the State of New York and \$296,316.56 was not specifically allocated.

Provision was made in the Reserve for Expenses, Taxes and other Liabilities of \$1,290,082.31, for Federal and State taxes, Commissions and Expenses accrued but not due at the close of the year.

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Consolidated Results of Operations of American Surety Company and its subsidiary companies, the New York Casualty Company, Canadian Surety Company, Compania Mexicana de Garantias, S. A. and Amsuco Securities Company reflect:

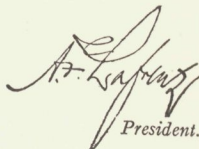
Investment Income, excluding inter-company dividends.....	\$ 866,306.08
Underwriting Profit.....	1,368,645.76
Total Net Earnings.....	\$2,234,951.84
Appreciation in Value of Securities Less Loss from Sale of Securities..	559,375.80

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In closing I wish to commend our entire staff, both at home and abroad, and the members of our Agency force for the able and efficient manner in which they have performed their duties and to record my appreciation for their loyalty and devotion to the Company.

For the assistance, advice and counsel, the Members of this Board and the members of its various Committees have given in the conduct of the Company's business, I express my sincere thanks.

Respectfully,

  
President.

## GENERAL INFORMATION

There were presented to us during 1938:

		Comparison with Preceding Year
Fidelity Claims . . . . .	983	Increase of 50
Blanket Bond Claims . . . . .	2,086	Increase of 144
Official Claims . . . . .	386	Decrease of 23
Surety Claims . . . . .	420	Decrease of 84
Burglary Claims . . . . .	482	Increase of 32
Forgery Claims . . . . .	300	Decrease of 23
Plate Glass Claims . . . . .	1,462	Increase of 9
Auto Liability Claims . . . . .	1,608	Decrease of 164
Auto Property Damage Claims . . . . .	5,284	Decrease of 415
Auto Collision Claims . . . . .	39	Decrease of 16
Miscellaneous Liability Claims . . . . .	1,603	Increase of 211
Miscellaneous Property Damage & Collision Claims . . . . .	117	Increase of 37
Workmen's Compensation Claims . . . . .	4,722	Decrease of 479
Total . . . . .	19,492	Decrease of 721

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{ Year 1938 . . . 17.65 Entire Period . . . 28.83
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{ Year 1938 . . . 18.04 Entire Period . . . 32.54
Plate Glass Claims Paid to Net Premiums . . . . .	{ Year 1938 . . . 40.34 Entire Period . . . 34.89
Other Casualty Claims Paid to Net Premiums . . . . .	{ Year 1938 . . . 35.70 Entire Period . . . 38.37

The Company has an agency organization consisting of 41 Branch and Service Offices on a salary basis, and 10,229 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a	
Net Premium Income of . . . . .	\$232,259,775.93
Its Net Paid Losses were . . . . .	69,072,220.64
And Its Expenses were . . . . .	142,627,589.05
Leaving an excess from underwriting, subject to Reserves, of . . . . .	20,559,966.24
Which is equivalent to 8.85% of the Net Premium Income.	
Income from Investments . . . . .	24,929,997.10
Our Stockholders have received in Cash Dividends . . . . .	24,387,350.50

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1938

ADMITTED ASSETS

Real Estate .....		\$10,106,169.67	
†Bonds, Stocks and Debentures .....		12,881,054.51	
Premiums and Agents' Balances in Course of Collection .....	\$3,041,599.10		
Less Reinsurance Payable .....	378,640.80	\$2,662,958.30	
Less Premiums and Agents' Balances more than Ninety Days due .....		193,846.24	2,469,112.06
Cash .....			5,626,503.17
Real Estate Mortgage and other Secured Loans .....			889,015.55
Reinsurance and other Accounts Receivable .....			199,464.30
Interest and Rents Due and Accrued .....			79,120.20

\$32,250,439.46

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) .....		\$ 7,500,000.00	
Surplus and Undivided Profits .....		6,552,387.67	
Legal Fund Provision—Mexico .....		34,013.60	
Minority Interest in Subsidiary Companies .....		147,726.08	
Reserve for Unearned Premiums .....		7,742,455.43	
Reserve for Reported Losses .....		4,613,015.26	
Reserve for Unreported Losses:			
Allocated to Specific Lines .....	\$1,470,000.00		
Allocated to Losses due from Companies not authorized in the State of New York .....		124,202.48	
Unallocated (Voluntary) .....		302,469.52	1,896,672.00
Reserve for Expenses, Taxes and Other Liabilities .....			1,689,035.04
Reserve for Depreciation—Home Office Building .....			1,500,000.00
Dividend Payable—January 3, 1939 .....			375,000.00
*Contingency Reserve .....			200,134.38

\$32,250,439.46

\*Adjusts securities to market value.

†Securities carried at \$2,329,978.64 in the above statement and cash amounting to \$49,489.80 are deposited for purposes required by law.

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1938

## ADMITTED ASSETS

Real Estate .....			\$10,000,000.00
Home Office Premises Unencumbered (Appraised by New York Insurance Department June 5, 1933)			
*Securities:			
Bonds .....	\$6,070,737.50		
Preferred Stocks .....	1,240,964.00		
Common Stocks .....	3,414,163.17	10,725,864.67	
Premiums in Course of Collection .....	\$2,151,488.45		
Less Reinsurance Payable .....	299,848.62	1,851,639.83	
Less Premiums more than Ninety Days due .....		121,834.05	1,729,805.78
Cash in Banks and Offices .....			4,119,859.50
Reinsurance and other Accounts Receivable .....			120,860.15
Interest and Rents Due and Accrued .....			46,588.97
			<u>\$26,742,979.07</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) .....		\$ 7,500,000.00	
Surplus and Undivided Profits .....		5,200,522.53	
Reserve for Unearned Premiums .....		5,866,117.65	
Reserve for Reported Losses .....		3,445,945.04	
Reserve for Unreported Losses:			
Allocated to Specific Lines .....	\$1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York .....	124,202.48		
Unallocated (Voluntary) .....	296,316.56	1,525,519.04	
Reserve for Expenses, Taxes and Other Liabilities .....		1,290,082.31	
Reserve for Depreciation—Home Office Building .....		1,500,000.00	
Dividend Payable—January 3, 1939 .....		375,000.00	
*Contingency Reserve .....		39,792.50	
			<u>\$26,742,979.07</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of Subsidiary Companies which are carried at \$1,351,865.14 less than their book value. The market value of amortizable bonds is \$39,792.50 less than their amortized value, with Contingency Reserve set up as a liability to adjust amortized values to market values.

Securities carried at \$1,454,311.35 in the above statement are deposited for purposes required by law.



The revenue accounts of the NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written .....	\$3,219,871.27	(Increase \$ 66,221.34)
Less Reinsurance Ceded .....	469,946.31	(Decrease 19,864.90)
Net Premiums Written .....	2,749,924.96	(Increase 86,086.24)
Increase in Unearned Premium Reserve .....	77,741.93	(Decrease 63,572.43)
Earned Premiums .....	2,672,183.03	(Increase 149,658.67)
From Rents, Less Operating Costs .....	455.09	(Decrease 743.14)
From Securities—Interest and Dividends .....	115,811.54	(Decrease 16,621.21)
TOTAL INCOME .....	<u>\$2,788,449.66</u>	(Increase 132,294.32)
OUTGO:		
For Operating Expenses Paid .....	\$ 520,230.47	(Increase 13,631.95)
For Claim Expenses Paid .....	209,410.38	(Increase 28,110.94)
For Investment Expenses .....	6,802.79	(Decrease 331.56)
For Commissions Paid .....	575,848.85	(Increase 342.52)
For Taxes Paid .....	144,372.67	(Increase 53,871.06)
For Losses Incurred .....	\$1,068,266.12	(Increase 148,069.98)
Less Cash Salvage .....	118,786.60	(Increase 29,034.32)
Net Losses Incurred .....	949,479.52	(Increase 119,035.66)
TOTAL OUTGO .....	<u>\$2,406,144.68</u>	(Increase 214,660.57)
EXCESS OF INCOME OVER OUTGO .....		\$382,304.98
(Decrease of \$82,366.25)		
INCREASE IN:		
Reserve for Overdue Premiums .....	\$ 1,590.67	
Additional Statutory Loss Reserve .....	15,000.00	
Reserve for Expenses and Taxes .....	19,289.81	\$ 35,880.48
Agents' Balances Charged Off .....	6,775.12	42,655.60
Investment Income and Underwriting Profit Less Reserves .....		339,649.38
Add:		
Appreciation in Value of Investments .....		96,380.97
		436,030.35
Deduct:		
Loss from Sale of Investments .....	8,250.04	
Transfer to Special Reserve .....	528.39	8,778.43
Added to Surplus .....		427,251.92
Surplus January 1, 1938 .....		530,510.26
Surplus December 31, 1938 .....		<u>\$957,762.18</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1938

## ADMITTED ASSETS

Real Estate.....		\$	23,650.00
Mortgage Loans on Real Estate.....			692,270.00
*Securities:			
Bonds.....	\$1,581,721.96		
Stocks.....	920,540.35		2,502,262.31
Premiums in Course of Collection.....	\$786,331.70		
Less Reinsurance Payable.....	54,827.15	731,504.55	
Less Premiums more than Ninety Days due.....	63,482.39		668,022.16
Cash in Banks and Offices.....			1,187,406.17
Reinsurance and Other Accounts Receivable.....			39,588.73
Interest Due and Accrued.....			17,887.25
			<u>\$5,131,086.62</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share).....	\$1,000,000.00		
Surplus and Undivided Profits.....	957,762.18		
Reserve for Unearned Premiums.....	1,447,037.70		
Reserve for Reported Losses.....	978,069.07		
Reserve for Unreported Losses:			
Allocated to Specific Lines.....	\$ 265,000.00		
Unallocated (Voluntary).....	6,152.96		271,152.96
Reserve for Expenses, Taxes and Other Liabilities.....			337,532.75
*Contingency Reserve.....			139,531.96
			<u>\$5,131,086.62</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York. The market value of amortizable bonds is \$139,531.96 less than their amortized value, with Contingency Reserve set up as a liability to adjust amortized values to market values.

Securities carried at \$627,062.23 in the above statement are deposited for purposes required by law.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

		Comparison with Preceding Year	
INCOME:			
From Premiums Written.....	\$678,242.49	(Increase	\$20,103.37)
Less Reinsurance Ceded.....	113,488.28	(Decrease	2,773.56)
Net Premiums Written.....	564,754.21	(Increase	22,876.93)
Increase in Unearned Premium Reserve.....	13,949.71	(Decrease	3,568.30)
Earned Premiums.....	550,804.50	(Increase	26,445.23)
From Securities—Interest and Dividends.....	57,152.28	(Increase	1,510.19)
TOTAL INCOME.....	\$607,956.78	(Increase	27,955.42)
OUTGO:			
For Operating Expenses Paid.....	\$175,188.59	(Increase	188.95)
For Claim Expenses Paid.....	27,186.61	(Increase	5,333.47)
For Commission Paid.....	124,821.73	(Increase	9,503.16)
For Taxes Paid.....	29,831.26	(Decrease	598.54)
For Losses Incurred.....	\$187,639.62	(Increase	29,495.34)
Less Cash Salvage.....	29,778.25	(Decrease	1,027.68)
Net Losses Incurred.....	157,861.37	(Increase	30,523.02)
TOTAL OUTGO.....	\$514,889.56	(Increase	44,950.06)
EXCESS OF INCOME OVER OUTGO.....			\$ 93,067.22
(Decrease \$16,994.64)			
INCREASE IN:			
Reserve for Expenses and Taxes.....	\$ 4,087.89		
Agents' Balances charged off.....	858.75	\$ 4,946.64	
DECREASE IN:			
Reserve for Overdue Premiums.....	585.76		4,360.88
Investment Income and Underwriting Profit Less Reserves.....			88,706.34
Add:			
Appreciation in Value of Securities.....	4,974.44		
Less Loss from Sale of Securities.....	3,595.57		1,378.87
			90,085.21
Deduct:			
Dividends Paid.....			30,000.00
Added to Surplus.....			60,085.21
Surplus January 1, 1938.....			506,055.62
Surplus December 31, 1938.....			\$566,140.83

# THE CANADIAN SURETY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1938

## ADMITTED ASSETS

*Bonds, Stocks and Debentures . . . . .		\$1,434,828.87
Premiums and Agents' Balances in Course of Collection . . . . .	\$94,307.01	
Less Reinsurance Payable . . . . .	<u>23,965.03</u>	\$70,341.98
Less Premiums and Agents' Balances more than Ninety Days due . . . . .		<u>8,529.80</u>
		61,812.18
Cash in Banks and Offices . . . . .		85,856.47
Reinsurance Receivable . . . . .		21,689.47
Accrued Interest Receivable . . . . .		<u>10,481.70</u>
		\$1,614,668.69

## LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share) . . . . .	\$ 500,000.00
Surplus and Undivided Profits . . . . .	566,140.83
Reserve for Unearned Premiums . . . . .	278,441.26
Reserve for Reported Losses . . . . .	132,625.33
Reserve for Unreported Losses . . . . .	75,000.00
Reserve for Expenses and Taxes . . . . .	41,651.35
*Contingency Reserve . . . . .	<u>20,809.92</u>
	\$1,614,668.69

\*Bonds, Stocks and Debentures are stated at values established by the Insurance Department of the Dominion of Canada. Market value of these securities is \$1,431,913.14. Contingency Reserve adjusts Insurance Department value to actual cost.

Securities carried at \$248,605.06 in the above statement are deposited for purposes required by law.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$399,098.73	(Decrease \$32,198.82)
Less Reinsurance Ceded.....	105,146.32	(Decrease 8,602.51)
Net Premiums Written.....	293,952.41	(Decrease 23,596.31)
Decrease in Unearned Premium Reserve.....	6,145.87	(Increase 5,814.61)
Earned Premiums.....	300,098.28	(Decrease 17,781.70)
From Buildings—Rents Less Operating Cost.....	10,076.06	(Decrease 1,001.13)
From Securities—Interest and Dividends.....	33,455.63	(Increase 469.32)
TOTAL INCOME.....	<u>\$343,629.97</u>	(Decrease 18,313.57)
OUTGO:		
For Operating Expenses Paid.....	\$ 87,390.85	(Increase 1,496.80)
For Claim Expenses Paid.....	6,554.37	(Decrease 229.41)
For Taxes Paid.....	26,002.56	(Increase 3,605.64)
For Commissions Paid.....	26,498.32	(Increase 334.53)
For Loss Incurred.....	\$77,827.00	(Decrease 11,464.54)
Less Cash Salvage.....	25,873.94	(Decrease 4,879.69)
Net Losses Incurred.....	51,953.06	(Decrease 6,684.85)
TOTAL OUTGO.....	<u>\$198,399.16</u>	(Decrease 1,507.39)
EXCESS OF INCOME OVER OUTGO.....		\$145,230.81
Less Adjustment in Reducing to Dollars at \$4.90.....		45,726.12
Investment Income and Underwriting Profit Less Reserves.....		99,504.69
Deduct:		
Depreciation in Value of Securities Unsold.....		8,588.48
		<u>90,916.21</u>
Surplus January 1, 1938.....	\$186,841.73	
Add:		
Capital Stock P \$500,000 Par Value Con- verted at the Rate of 4.90 instead of 2 Pesos to the Dollar.....	\$147,959.18	
Deduct:		
Adjustment of Dollar Value Net Assets as of December 31, 1937, due to decline in the Rate of Exchange from 3.60 to 4.90 Pesos.....	89,488.67	58,470.51
		<u>245,312.24</u>
		336,228.45
Deduct:		
Dividends Paid.....	23,150.00	
Special Dividend.....	150,000.00	173,150.00
Surplus December 31, 1938.....		<u>\$163,078.45</u>

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COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1938

(Converted into United States Currency, in the ratio of 4.90 Mexican Pesos, to One United States Dollar)

ADMITTED ASSETS

Real Estate—Unencumbered.....	\$ 82,519.67
Bonds and Stocks (At Market Value).....	146,777.53
Premiums in Course of Collection.....	9,471.94
Cash in Banks and Office.....	116,215.60
Cash Reinsurance Fund.....	50,000.00
*Cash Deposits under Law.....	49,489.80
Mortgage Loans.....	79,323.20
Reinsurance and Accounts Receivable.....	11,676.12
Interest Due and Accrued.....	4,162.28
	<hr/>
	\$549,636.14

LIABILITIES

Capital Stock (5,000 Shares. Par Value P 100. per Share).....	\$102,040.82
Surplus and Undivided Profits.....	\$163,078.45
Legal Fund Provision.....	34,013.60
	<hr/>
Reserve for Unearned Premiums.....	150,858.82
Reserve for Reported Losses.....	56,375.82
Reserve for Unreported Losses.....	25,000.00
Reserve for Expenses, Taxes and Other Liabilities.....	18,268.63
	<hr/>
	\$549,636.14

\*Cash amounting to \$49,489.80 is deposited for purposes required by law.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . .	\$ 9,198.86
TOTAL INCOME . . . . .	<u>\$ 9,198.86</u>

OUTGO:

For Expenses Paid . . . . .	14.97
For Taxes Paid . . . . .	<u>1,725.00</u>
TOTAL OUTGO . . . . .	<u>\$ 1,739.97</u>

EXCESS OF INCOME OVER OUTGO . . . . .	\$ 7,458.89
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Add:

Appreciation in value of Securities . . . . .	\$35,273.50
Less Loss from Sale of Securities . . . . .	<u>7.92</u>
	35,265.58
	<u>42,724.47</u>

Deduct:

Dividends Paid . . . . .	<u>9,000.00</u>
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Add to Surplus . . . . .	33,724.47
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Surplus January 1, 1938 . . . . .	<u>75,650.84</u>
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Surplus December 31, 1938 . . . . .	<u>\$109,375.31</u>
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## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1938

### RESOURCES

Bonds and Stocks (At Market Value) . . . . .	\$120,127.50
Cash in Banks . . . . .	17,675.63
Real Estate Mortgage and other Loans Receivable . . . . .	117,422.35
Accounts Receivable less Reserve . . . . .	<u>5,649.83</u>
	\$260,875.31

### LIABILITIES

Capital Stock (3,000 Shares. Par Value \$50.00 per Share) . . . . .	\$150,000.00
Surplus . . . . .	109,375.31
Reserve for Taxes . . . . .	<u>1,500.00</u>
	\$260,875.31

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 100,000	Home Owners' Loan Corporation of U. S. A. 1½%, 1939.....	\$ 101,000.00
500,000	U. S. of America Treasury Notes, Ser. "A" 2½%, 1939.....	510,000.00
300,000	U. S. of America Treasury Notes, Ser. "D" 1¾%, 1939.....	306,000.00
500,000	U. S. of America Treasury Notes, Ser. "B" 1¾%, 1939.....	510,000.00
400,000	U. S. of America Treasury Notes, Ser. "A" 1¾%, 1940.....	408,000.00
700,000	U. S. of America Treasury Notes, Ser. "B" 1½%, 1940.....	714,000.00
200,000	U. S. of America Treasury Notes, Ser. "C" 1½%, 1940.....	206,000.00
200,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1941.....	206,000.00
20,000	U. S. of America Treasury Bonds 3¾%, 1943/1941.....	21,400.00
269,000	U. S. of America Treasury Bonds 3¼%, 1945/1943.....	295,900.00
84,500	U. S. of America Treasury Bonds 3¼%, 1946/1944.....	92,950.00
650,000	U. S. of America Treasury Bonds 2%, 1947.....	663,000.00
25,000	U. S. of America Treasury Bonds 3%, 1948/1946.....	27,250.00
75,000	U. S. of America Treasury Bonds 3¾%, 1952/1949.....	81,750.00
75,000	U. S. of America Treasury Bonds 2½%, 1953.....	77,250.00
40,000	U. S. of America Treasury Bonds 3%, 1955/1951.....	42,800.00
50,000	U. S. of America Treasury Bonds 2¾%, 1960/1955.....	52,500.00
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\$4,188,500		\$4,315,800.00

## STATE, U. S. POSSESSIONS AND CANADIAN BONDS

\$ 50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1940.....	\$ 52,000.00
50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1941.....	52,000.00
25,000	N. Y. State Emerg. Construction 2¼%, 1940.....	26,000.00
100,000	N. Y. State Gen. State Improvement 2¼%, 1941.....	104,000.00
75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	78,000.00
10,000	Porto Rico Workingmen's House Cons., Ser. "B" 4½%, 1942/1940.....	10,400.00
5,000	Porto Rico Public Improvement, Ser. "A" 5%, 1945/1944.....	5,700.00
10,000	Porto Rico Irrigation Loan of 1915, Ser. "F" 4%, 1956.....	11,200.00
20,000	Dominion of Canada, 3½%, 1949/1944.....	20,600.00
50,000	Province of Alberta, Canada, 4%, 1957.....	28,000.00
50,000	Province of Manitoba, Canada, 4%, 1957.....	44,000.00
20,000	City of Winnipeg, Dominion of Canada, Con. Deb. 5%, 1943.....	20,400.00
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\$ 465,000		\$ 452,300.00

## MUNICIPAL BONDS

\$ 50,000	Erie County, N. Y. 2.20%, 1939.....	\$ 50,000.00
65,000	Nassau County, N. Y. 2¾%, 1939.....	65,650.00
35,000	Monroe County, N. Y. 2%, 1940.....	35,700.00
50,000	City of Syracuse, N. Y. 2%, 1940.....	50,500.00



# AMERICAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 50,000	City of Boston, Mass. 2¼%, 1940.....	\$ 51,000.00
10,000	City of Buffalo, N. Y. 2½%, 1940.....	10,200.00
35,000	Albany County, N. Y. 2%, 1941.....	35,700.00
35,000	Monroe County, N. Y. 2%, 1941.....	35,700.00
25,000	Rockland County, N. Y. 1¾%, 1941.....	25,500.00
50,000	City of Syracuse, N. Y. 2%, 1941.....	50,500.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,000.00
\$ 455,000		\$ 461,450.00
	RAILROAD BONDS	
\$ 50,000	Atlantic Coast Line R. R. Co. Conv. Deb. 4%, 1939.....	\$ 49,000.00
200,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	26,000.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., Ser. "D" 5%, 2000..	9,500.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	4,000.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	10,000.00
480,000	Chicago & Northwestern Ry. Co. Conv. 4¾%, 1949.....	24,000.00
100,000	Delaware & Hudson R. R. Co. 1st Ref. 4% 1943.....	62,000.00
40,000	Erie R. R. Co. Consolidated General Lien 4%, 1996.....	8,800.00
23,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	15,870.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977....	44,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	1,875.00
200,000	Southern Pacific Co. 4½%, 1969.....	110,000.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956..	30,000.00
16,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	13,600.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	14,500.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	6,500.00
\$1,821,500		\$ 429,645.00
	PUBLIC UTILITY BONDS	
\$ 50,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1939.....	\$ 47,000.00
6,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1940.....	4,560.00
44,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1941.....	33,440.00
50,000	Hydro-Electric Power Comm. of Ontario, Gtd. by Prov. of Ontario, 3¼%, 1953.....	50,000.00
100,000	Western Union Telegraph Co. 5%, 1951.....	62,000.00
\$ 250,000		\$ 197,000.00
	INDUSTRIAL BONDS	
\$ 25,000	Armour & Co. of Delaware 1st Mtge. Sink. Fund, Ser. "B" 4%, 1955..\$	24,500.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	99,000.00
50,000	General Cable Corp. 1st Mtge. Sink. Fund, Ser. "A" 5½%, 1947....	51,250.00
\$ 175,000		\$ 174,750.00

# AMERICAN SURETY COMPANY—Continued

## RAILROAD STOCKS

### DEPARTMENT VALUES

3,000 Shares Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd.....	\$ 207,000.00
1,000 Shares Atchison, Topeka & Santa Fe Railway Co. Common.....	41,000.00
1,000 Shares Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd.....	10,000.00
2,000 Shares Delaware, Lackawanna & Western R. R. Co.....	16,000.00
3,000 Shares Erie R. R. Co. \$4 Non-Cum. First Pfd.....	12,000.00
3,300 Shares New York Central R. R. Co. Common.....	72,600.00
1,000 Shares N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.....	4,000.00
2,000 Shares N. Y., N. H. & H. R. R. Co. Common.....	2,000.00
2,000 Shares Northern Pacific Railway Co. Common.....	28,000.00
5,625 Shares Pennsylvania R. R. Co.....	135,000.00
2,100 Shares Reading Co. Common.....	37,800.00
400 Shares St. Louis-San Francisco Railway Co. Common.....	252.00
2,000 Shares Southern Pacific Co. Common.....	42,000.00
4,000 Shares Southern Railway Co. \$5 Non-Cum. Pfd.....	132,000.00
7,000 Shares Southern Railway Co. Common.....	161,000.00
1,000 Shares Texas & Pacific Railway Co. Common.....	23,000.00

\$ 923,652.00

## PUBLIC UTILITY STOCKS

1,000 Shares American Pwr. & Lgt. Co. \$5 Cum. Pfd. Series "A" Unstamped..	\$ 36,000.00
2,000 Shares Brooklyn-Manhattan Transit Corp. \$6 Cum. Pfd. Series "A".....	80,000.00
834 Shares Commonwealth & Southern Corp. \$6 Cum. Pfd.....	38,364.00
4,000 Shares Consolidated Edison Co. of N. Y. \$5 Cum. Pfd.....	408,000.00
2,000 Shares Consolidated Edison Co. of N. Y. Common.....	62,000.00
1,400 Shares Engineers Public Service Co. \$5 Cum. Conv. Pfd.....	96,600.00
2,000 Shares Hudson & Manhattan R. R. Co. Common.....	4,000.00
500 Shares Public Corporation of New Jersey \$5 Pfd.....	52,000.00
1,000 Shares The United Corporations \$3 Cum. Pfce.....	34,000.00
1,000 Shares The United Corporation Common.....	3,000.00

\$ 813,964.00

## BANK STOCKS

7,032 Shares Chase National Bank of the City of New York.....	\$ 232,056.00
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## MISCELLANEOUS STOCKS

214 Shares Allis-Chalmers Mfg. Co.....	\$ 10,272.00
703.2 Shares Amerex Holding Corp.....	16,876.80
500 Shares American Ice Co. \$6 Non-Cum. Pfd.....	7,000.00
1,000 Shares American Locomotive Co. \$7 Cum. Pfd.....	78,000.00
500 Shares American Sugar Refining Co. \$7 Cum. Pfd.....	46,000.00
100 Shares General Foods Corp.....	44,000.00

[ page nineteen ]

# AMERICAN SURETY COMPANY—Continued

## MISCELLANEOUS STOCKS—Continued

	DEPARTMENT VALUES
3,000 Shares Ohio Oil Corp. ....	\$ 30,000.00
2,000 Shares Pullman, Inc. ....	78,000.00
4,000 Shares Socony Vacuum Oil Co., Inc. ....	56,000.00
1,000 Shares Texas Corp. ....	48,000.00
2,500 Shares United States Steel Corp. Common. ....	172,500.00
1,000 Shares F. W. Woolworth Co. ....	50,000.00
	<hr/>
	\$ 636,648.80

## STOCKS OF SUBSIDIARY COMPANIES

800 Shares Amnyco Printing & Supply Corp. } .....	\$ 190,000.00
3,000 Shares Amsuco Securities Company } .....	
4,318 Shares Canadian Surety Company. ....	519,926.37
4,975 Shares Compania Mexicana de Garantias, S. A. ....	99,500.00
39,980 Shares New York Casualty Company. ....	1,239,380.00
	<hr/>
	\$ 2,048,806.37

### PAR VALUE

### RECAPITULATION

\$4,188,500 U. S. Government Bonds. ....	\$ 4,315,800.00
465,000 State, U. S. Possessions and Canadian Bonds. ....	452,300.00
455,000 Municipal Bonds. ....	461,450.00
1,821,500 Railroad Bonds. ....	429,645.00
250,000 Public Utility Bonds. ....	197,000.00
175,000 Industrial Bonds. ....	174,750.00
<hr/>	<hr/>
\$7,355,000 Total of Bonds. ....	\$ 6,030,945.00
	<hr/>
Railroad Stocks. ....	\$ 923,652.00
Public Utility Stocks. ....	813,964.00
Bank Stocks. ....	232,056.00
Miscellaneous Stocks. ....	636,648.80
Stocks of Subsidiary Companies. ....	2,048,806.37
	<hr/>
Total of Stocks. ....	\$ 4,655,127.17

### GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK. ....	\$10,686,072.17
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NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are stated at \$1,351,865.14 less than book value.

# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	DEPARTMENT VALUES
\$268,400.00	Various Mortgage Loans on Real Estate, N. Y., 1938.....	\$ 268,400.00
21,000.00	Various Mortgage Loans on Real Estate, N. Y., 1939.....	21,000.00
127,405.00	Various Mortgage Loans on Real Estate, N. Y., 1940.....	127,405.00
211,520.00	Various Mortgage Loans on Real Estate, N. Y., 1941.....	211,520.00
23,750.00	Various Mortgage Loans on Real Estate, N. Y., 1942.....	23,750.00
10,895.00	Various Mortgage Loans on Real Estate, N. Y., 1943.....	10,895.00
5,000.00	Various Mortgage Loans on Real Estate, N. Y., 1945.....	5,000.00
26,750.09	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1947.....	24,300.00
<hr/> \$694,720.09		<hr/> \$ 692,270.00

## U. S. GOVERNMENT BONDS

\$ 30,000	U. S. of America Treasury Notes, Ser. "A" $2\frac{3}{8}\%$ , 1939.....	\$ 30,600.00
50,000	U. S. of America Treasury Notes, Ser. "D" $1\frac{3}{8}\%$ , 1939.....	51,000.00
50,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{3}{8}\%$ , 1940.....	51,000.00
55,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1940.....	56,650.00
50,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{1}{2}\%$ , 1941.....	51,500.00
172,000	U. S. of America Treasury Bonds, $3\frac{1}{4}\%$ , 1945/1943.....	189,200.00
10,000	U. S. of America Treasury Bonds, $3\frac{1}{4}\%$ , 1946/1944.....	11,000.00
65,000	U. S. of America Treasury Bonds, $2\%$ , 1947.....	66,300.00
110,000	U. S. of America Treasury Bonds, $2\frac{1}{2}\%$ , 1953/1949.....	113,300.00
10,000	U. S. of America Treasury Bonds, $3\%$ , 1955/1951.....	10,700.00
10,000	U. S. of America Treasury Bonds, $2\frac{3}{8}\%$ , 1960/1955.....	10,500.00
10,000	Home Owners' Loan Corp. of U. S. A. $2\frac{3}{4}\%$ , 1949/1939.....	10,200.00
15,000	Home Owners' Loan Corp. of U. S. A. $3\%$ , 1952/1944.....	16,050.00
<hr/> \$637,000		<hr/> \$ 668,000.00

## STATE BONDS

\$ 50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1940.....	\$ 52,000.00
50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1941.....	52,000.00
25,000	N. Y. State Emerg. Construction $2\frac{1}{4}\%$ , 1940.....	26,000.00
50,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1941.....	52,000.00
75,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1942.....	78,000.00
<hr/> \$250,000		<hr/> \$ 260,000.00

## MUNICIPAL BONDS

\$ 10,000	Erie County, N. Y. $2.20\%$ , 1939.....	\$ 10,000.00
30,000	City of Boston, Mass. $2\frac{1}{4}\%$ , 1940.....	30,600.00
50,000	City of Syracuse, N. Y. $2\%$ , 1941.....	50,500.00
10,000	N. Y. City Harlem River Bridge Construction $3\frac{1}{2}\%$ , 1941.....	10,400.00



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 10,000	N. Y. City High Schools & Sites Therefor 3½%, 1941.....	\$ 10,400.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,000.00
\$160,000		\$ 162,900.00

## RAILROAD BONDS

\$ 50,000	Ann Arbor R. R. Co. 1st Mtge. 4%, 1995.....	\$ 16,500.00
20,000	Atlantic & Danville Ry. Co. 1st Mtge. 4%, 1948.....	7,200.00
50,000	Baltimore & Ohio R. R. Secured Notes 4½%, 1939.....	19,500.00
17,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge. Ser. "A" 4%, 1959.....	6,290.00
50,000	Boston & Maine R. R. Co. 1st Mtge. 5%, 1955.....	14,500.00
50,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	31,000.00
20,000	Ill. Cent. R. R. Co. & Chi., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	12,000.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938.....	1,600.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	600.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	1,200.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	19,500.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013.....	12,800.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	30,500.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	2,400.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	13,200.00
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	9,000.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	24,500.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	11,500.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	5,500.00
\$687,000		\$ 239,290.00

## PUBLIC UTILITY BONDS

\$ 50,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1941.....	\$ 38,000.00
30,000	Hudson & Manhattan R. R. Co. 1st Lien & Ref. Mtge. Ser. "A" 5%, 1957.....	13,500.00
50,000	Standard Gas & Electric Co. of Delaware Deb. Series "A" 6%, 1951...	29,500.00
50,000	Western Union Telegraph 5%, 1951.....	31,000.00
\$180,000		\$ 112,000.00

## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 20,500.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	4,800.00

# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

### DEPARTMENT VALUES

2,000 Shares	Canadian Pacific R. R. Co. Common	\$	12,000.00
500 Shares	Chicago & North Western Railway Co. Common		440.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5)		500.00
500 Shares	Great Northern Railway Co. \$4 Non-Cum. Pfd.		15,000.00
500 Shares	Illinois Central R. R. Co. Common		10,000.00
500 Shares	Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A"		4,500.00
500 Shares	Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd.		1,000.00
650 Shares	New York Central R. R. Co. Common		14,300.00
500 Shares	N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.		2,000.00
500 Shares	Norfolk & Western Railway Co. Common		94,500.00
500 Shares	Northern Pacific Railway Co. Common		7,000.00
600 Shares	Pennsylvania R. R. Co.		14,400.00
445 Shares	St. Louis San-Francisco Railway Co. Common		280.35
500 Shares	Southern Pacific Co. Common		10,500.00
500 Shares	Southern Railway Co. Common		11,500.00
500 Shares	Union Pacific Railway Co. Common		50,000.00

\$ 273,220.35

## PUBLIC UTILITY STOCKS

200 Shares	American Gas & Electric Co. \$6 Cum. Pfd.	\$	23,200.00
500 Shares	American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd.		41,000.00
1,100 Shares	Consolidated Edison Co. of N. Y. Common		34,100.00
200 Shares	Electric Bond & Share Co. \$5 Cum. Pfd.		11,600.00
200 Shares	Electric Power & Light Co. \$6 Cum. Pfd.		6,600.00
500 Shares	Electric Power & Light Co. Common		6,000.00
500 Shares	Federal Light & Traction Co. \$6 Cum. Pfd.		41,500.00
500 Shares	North American Co. \$3 Cum. Pfd.		28,000.00
500 Shares	Standard Gas & Electric Co. \$4 Cum. Pfd.		4,500.00
600 Shares	United Gas Improvement Co. Common		7,200.00

\$ 203,700.00

## BANK AND TRUST COMPANY STOCKS

70 Shares	Brooklyn Trust Co., Brooklyn, N. Y.	\$	5,180.00
500 Shares	Chase National Bank of The City of New York		16,500.00
10 Shares	First National Bank of the City of New York		16,800.00
200 Shares	Girard Trust Co., Philadelphia, Pa.		11,800.00
65 Shares	Guaranty Trust Co. of the City of New York		15,600.00
1,750 Shares	Manhattan Co., New York, N. Y.		29,750.00
1,750 Shares	New York Title and Mortgage Corp.		0.00

\$ 95,630.00

# NEW YORK CASUALTY COMPANY—Continued

MISCELLANEOUS STOCKS		DEPARTMENT VALUES
50 Shares Amerex Holding Corp. ....	\$	1,200.00
600 Shares American Smelting & Refining Co. Common. ....		31,200.00
500 Shares Anaconda Copper Mining Co. ....		17,500.00
500 Shares Eastman Kodak Co. Common. ....		93,000.00
1,000 Shares General Foods Corp. ....		40,000.00
500 Shares Kennecott Copper Co. ....		22,000.00
53 Shares Mission Corp. ....		795.00
800 Shares National Biscuit Co. ....		20,000.00
500 Shares Pullman, Inc. ....		19,500.00
1,000 Shares Socony-Vacuum Oil Co., Inc. ....		14,000.00
1,015 Shares Standard Oil Co. of New Jersey. ....		53,795.00
700 Shares F. W. Woolworth Co. ....		35,000.00
	\$	347,990.00
RECAPITULATION		
\$ 694,720.09 Mortgage Loans. ....	\$	692,270.00
\$ 637,000.00 U. S. Government Bonds. ....	\$	668,000.00
250,000.00 State Bonds. ....		260,000.00
160,000.00 Municipal Bonds. ....		162,900.00
687,000.00 Railroad Bonds. ....		239,290.00
180,000.00 Public Utility Bonds. ....		112,000.00
\$1,914,000.00 Total of Bonds. ....	\$	1,442,190.00
Railroad Stocks. ....	\$	273,220.35
Public Utility Stocks. ....		203,700.00
Bank and Trust Company Stocks. ....		95,630.00
Miscellaneous Stocks. ....		347,990.00
Total of Stocks. ....	\$	920,540.35
GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY. ....		\$3,055,000.35

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values established by the Insurance Department of the State of New York.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 14,000.00	Dominion of Canada, 4½%, 1948/58.....	\$ 15,680.00
75,000.00	Dominion of Canada Conversion Loan, 4½%, 1949/59.....	84,000.00
20,000.00	Dominion of Canada, 3¼%, 1949.....	20,600.00
20,000.00	Dominion of Canada, 3¼%, 1948/51.....	20,600.00
206,000.00	Dominion of Canada, 3%, 1953/58.....	203,940.00
45,000.00	Dominion of Canada, 3¼%, 1956/66.....	45,450.00
5,000.00	Canadian National Railway Gtd. by Dominion of Canada, 4½%, 1956	5,800.00
26,000.00	Canadian National Railway Gtd. by Dominion of Canada, 4½%, 1957	30,160.00
15,000.00	Canadian National Railway Gtd. by Dominion of Canada, 3%, 1945/50	15,000.00
5,000.00	Canadian National Railway Equipment Trust Series "K", 5%, 1939..	5,100.00
15,000.00	Dominion of Canada fully subsidizing St. John Dry Dock & Ship- building Co., 3%, 1950 or earlier.....	14,700.00
10,000.00	St. John Dry Dock & Shipbuilding Co., Ltd., 3%, 1951 or earlier....	9,800.00
14,580.00	Grand Trunk Pacific Railway Gtd. by Dominion of Canada, 4%, 1962	16,329.60
5,000.00	Province of Alberta, 4½%, 1956.....	3,000.00
10,000.00	Province of New Brunswick, 5%, 1959.....	11,000.00
10,000.00	Province of New Brunswick, 3%, 1951.....	9,700.00
11,000.00	Province of New Brunswick, 3¼%, 1945.....	10,780.00
5,000.00	Province of New Brunswick, 4%, 1945/47.....	5,150.00
15,000.00	Province of Quebec, 3%, 1951.....	14,550.00
20,000.00	Province of Nova Scotia, 3½%, 1950.....	20,200.00
5,000.00	Province of Nova Scotia, 5%, 1960.....	5,900.00
10,000.00	Province of Nova Scotia, 4½%, 1961.....	11,200.00
26,000.00	Province of Ontario, 5%, 1948.....	30,160.00
10,000.00	Province of Ontario, 3%, 1951.....	9,900.00
10,000.00	Hydro-Electric Power Commission of Ontario, Gtd. by Prov. of Ontario, 3%, 1946/48.....	10,000.00
25,000.00	Hydro-Electric Power Comm. of Ont., Gtd. by Prov. of Ont., 4%, 1957	27,250.00
30,000.00	Hydro-Electric Power Commission of Ontario, Gtd. by Prov. of Ontario, 3¼%, 1950/53.....	30,300.00
10,000.00	T. & N. O. Railway Commission, Gtd. by Prov. of Ontario, 4%, 1965	10,900.00
<hr/>		
\$672,580.00		\$697,149.60

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ontario, 4½%, 1941.....	\$ 10,400.00
2,000.00	City of Brandon, Manitoba, 5½%, 1939.....	1,200.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 1,000.00	City of Brandon, Manitoba, 4½%, 1942.....	\$ 600.00
2,000.00	City of Brantford, Ontario, 4½%, 1942.....	2,120.00
4,000.00	City of Brantford, Ontario, 5%, 1944.....	4,360.00
5,000.00	City of Charlottetown, P. E. I., 3½%, 1952.....	5,000.00
2,000.00	City of Fort William, Ontario, 4½%, 1952.....	2,140.00
4,000.00	City of Fort William, Ontario, 4½%, 1957.....	4,320.00
5,000.00	City of Halifax, Nova Scotia, 5%, 1961.....	5,650.00
1,946.66	City of Hamilton, Ontario, 4%, 1940.....	2,005.06
6,000.00	City of Hamilton, Ontario, 5%, 1939.....	6,060.00
5,000.00	City of Hamilton, Ontario, 5%, 1947.....	5,700.00
10,000.00	City of Hamilton, Ontario, 3½%, 1954.....	10,100.00
10,000.00	City of Montreal, Quebec, 3½%, 1944.....	9,900.00
10,000.00	City of Montreal, Quebec, 4%, 1945.....	10,000.00
8,000.00	City of Niagara Falls, Ontario, 4½%, 1939-52.....	8,240.00
6,000.00	City of North Bay, Ontario, 5%, 1939 to 1941.....	6,120.00
4,000.00	City of North Bay, Ontario, 5%, 1942-43.....	4,080.00
2,000.00	City of Oshawa, Ontario, 5½%, 1946.....	2,140.00
6,000.00	City of Ottawa, Ontario, 6%, 1940.....	6,420.00
10,000.00	City of Peterborough, Ontario, 4¼%, 1939.....	10,100.00
3,000.00	City of Port Arthur, Ontario, 5%, 1945.....	3,270.00
5,000.00	City of Regina, Saskatchewan, 5½%, 1942.....	4,050.00
1,500.00	City of Regina, Saskatchewan, 6½%, 1951.....	1,215.00
5,000.00	City of Saskatoon, Saskatchewan, 4½%, 1948.....	3,700.00
5,000.00	City of St. John, New Brunswick, 4½%, 1971.....	5,300.00
10,000.00	City and County of St. John, New Brunswick, 4½%, 1971.....	10,600.00
5,000.00	City of Sarnia, Ontario, 6%, 1939.....	5,050.00
5,000.00	City of Sherbrooke, Quebec, 3½%, 1955.....	5,050.00
15,000.00	City of Sydney, Nova Scotia, 4½%, 1942.....	15,450.00
2,000.00	City of Three Rivers, Quebec, 5½%, 1947.....	2,180.00
5,500.00	City of Three Rivers, Quebec, 5½%, 1952.....	6,050.00
15,000.00	City of Toronto, Ontario, 5%, 1945.....	17,100.00
10,000.00	Toronto Harbour Commission, Gtd. by City of Toronto, 3%, 1947..	10,000.00
15,000.00	City of Victoria, B. C., 5½% to July 1941, 4½% thereafter, 1966...	12,150.00
1,000.00	City of Victoria, B. C., 5½% to Feb. 1941, 4½% thereafter, 1966...	810.00
1,000.00	City of Victoria, B. C., 5½% to Oct. 1941, 4½% thereafter, 1966...	810.00
2,000.00	City of Welland, Ontario, 4½%, 1939.....	2,020.00
3,000.00	City of Winnipeg, Manitoba, 4½%, 1950.....	2,880.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 1,703.33	City of Winnipeg, Manitoba, Reg'd Stock, 4½%, 1943/63	\$ 1,447.83
6,693.58	City of Windsor, Ontario, 1½%, 1975	2,677.43
9,964.20	City of Windsor, Ontario, 3¼%, 1975	6,476.73
4,000.00	Town of Carleton Place, Ontario, 5½%, 1952	4,520.00
3,000.00	Town of Collingwood, Ont., Gtd. by County of Simcoe, Ont., 5%, 1944	2,550.00
6,000.00	Town of Cornwall, Ontario, 5%, 1943-44	6,540.00
4,000.00	Town of Cornwall, Ontario, 5%, 1945	4,480.00
2,000.00	Town of Dundas, Ontario, 5%, 1948	2,160.00
8,000.00	Town of Dundas, Ontario, 5%, 1949	8,720.00
1,180.77	Town of Renfrew, Ontario, 5%, 1939 to 1941	1,204.39
6,000.00	Town of Sorel, Quebec, 5%, 1952	6,300.00
5,000.00	Town of Smith's Falls, Ontario, 5%, 1940	5,100.00
5,000.00	Town of Swift Current, Saskatchewan, Certificate of Indebtedness No. 172, 3½%, 1937	1,500.00
1,517.83	Town of Watrous, Saskatchewan, 5½%, 1933 to 1956	607.13
185.84	Town of Watrous, Sask., Refunding Debentures, 5½%, 1957-58	74.34
6,145.49	Town of Weston, Ontario (Replacing old debentures, 5%, maturing July 1, 1947), 5% to July 1947, 4½% thereafter	5,961.13
636.70	Village of Madoc, Ontario, 5%, 1939	643.07
940.69	Village of Madoc, Ontario, 5%, 1947	1,044.17
10,000.00	Township of Barton, Ontario, 5%, 1944	10,500.00
7,000.00	Township of Colchester South, Ontario, 5%, 1943-49	7,450.00
5,000.00	Township of East York, Ontario, 5½%, 1947	4,000.00
2,000.00	Township of Esquimalt, British Columbia, 5%, 1963	1,800.00
7,000.00	Township of Richmond, British Columbia, 4½%, 1959	6,930.00
7,000.00	District of North Vancouver, British Columbia, 5%, 1960	2,100.00
5,000.00	Greater Winnipeg Water District, 6%, 1940	5,050.00
1,000.00	County of Carleton, Ontario, 6%, 1939	1,010.00
4,000.00	County of Carleton, Ontario, 6%, 1941-44	4,420.00
2,400.00	United Counties of Lennox and Addington, 4½%, 1939	2,424.00
7,000.00	County of Lincoln, Ontario, 5½%, 1942	7,630.00
\$352,315.09		\$339,660.28

## SCHOOL BONDS

\$ 6,000.00	City of Windsor, Ontario, Public Schools, 1½%, 1975	\$ 2,400.00
7,000.00	Protestant School, Montreal, Quebec, 4½%, 1943	7,140.00
6,000.00	North Bay, Ontario, Separate Schools, 6%, 1950-52	6,260.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE		DEPARTMENT VALUES
SCHOOL BONDS—Continued		
\$ 1,000.00	North Bay, Ontario, Separate Schools, 6%, 1953 .....	\$ 1,050.00
10,346.29	St. Hyacinthe, Quebec, School, 4½%, 1953/60 .....	11,173.99
5,000.00	Roman Catholic School, Toronto, 5%, 1945 .....	5,450.00
\$ 35,346.29		\$ 33,473.99
MISCELLANEOUS BONDS		
\$ 10,000.00	Canada Permanent Mortgage Corp., 3¼%, 1940 .....	\$ 10,000.00
20,000.00	Canada Permanent Mortgage Corp., 3¼%, 1941 .....	20,000.00
10,000.00	Canada Permanent Mortgage Corp., 3½%, 1942 .....	10,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ontario, 3%, 1940 .....	20,000.00
10,000.00	British Columbia Telephone Co., Ltd., 1st Mortgage Gold Bonds, Series B, 4½%, 1961 .....	10,700.00
10,000.00	British Columbia Power Corp., Ltd., 4¼%, 1960 .....	10,100.00
7,000.00	British American Oil Co., Ltd., Sinking Fund Debentures, 4%, 1945 ..	7,280.00
10,000.00	Canada Cement Co., Ltd., 1st Mortgage Sinking Fund Series "A", 4¼%, 1951 .....	10,400.00
5,000.00	Canada Northern Power Corp., 5%, 1953 or earlier .....	5,300.00
10,000.00	Canada Steamship Lines, 5%, 1957 .....	8,400.00
5,000.00	Canadian International Paper Co., 1st Mortgage, 6%, 1949 or earlier ..	5,000.00
3,000.00	Consolidated Paper Corp., Ltd., 1st Mortgage Gold Bonds, 5½%, 1961	2,250.00
10,000.00	T. Eaton Realty Co., Ltd., 1st Mtge. Sinking Fund, Series A, 4%, 1951	10,300.00
10,000.00	Great Lakes Paper Company, 5%, 1955 .....	9,000.00
10,000.00	Gatineau Power Company, 5%, 1956 .....	10,500.00
11,000.00	Hamilton Cotton Co., Ltd., 4¼%, 1950 .....	11,110.00
5,000.00	Lake St. John Power & Paper Co., 1st Mortgage Sinking Fund Series "A", 5½%, 1961 or earlier .....	4,650.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage Sinking Fund, 5½%, 1949 or earlier .....	5,100.00
10,000.00	MacLaren, Quebec, Power Company, 5½%, 1961 .....	10,500.00
20,000.00	Massey-Harris Co., Ltd., Toronto, Sinking Fund Debenture Bonds, 5%, 1947 or earlier .....	20,000.00
10,000.00	Montreal Light, Heat & Power Co., 3½%, 1963 .....	10,000.00
5,000.00	Nova Scotia Light & Power Co., 1st Mortgage, 4%, 1957 or earlier ..	5,100.00
5,000.00	Ottawa Light, Heat & Power Co., 4%, 1957 .....	5,150.00
5,000.00	Price Brothers, Ltd., 5%, 1957 .....	4,900.00
7,000.00	Saguenay Power Co., Ltd. "B", 4¼%, 1966 .....	7,420.00
10,000.00	Simpson's, Ltd., 1st Mortgage and Collateral Trust Series "A", 4¼%, 1951 or earlier .....	10,000.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	DEPARTMENT VALUES
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\$ 5,000.00	United Gas and Fuel Co. of Hamilton, Ltd., 1st Mortgage Sinking Fund, 5½%, 1948 or earlier.....	\$ 5,100.00
5,000.00	United Grain Growers, Ltd., 1st Mortgage Sinking Fund Series "A", 5%, 1948 or earlier.....	4,700.00
25,000.00	Shawinigan Water & Power Co., 4½%, 1970.....	26,500.00
20,000.00	Canadian Pacific Railway Convertible, 3½%, 1951.....	18,000.00
<u>\$303,000.00</u>		<u>\$297,460.00</u>

## STOCKS

100 Shares	International Milling Co., Cumulative Sinking Fund, 5%, First Preferred, par value \$100.00.....	\$10,400.00
50 Shares	Goodyear Tire & Rubber Co. of Canada, Ltd., 5%, Cumulative Redeemable, Preferred, par value \$50.00.....	2,800.00
20 Shares	Maple Leaf Milling Co., "A" Preferred, no par value.....	80.00
50 Shares	Southern Canada Power Co., 6%, preferred, par value \$100.00.....	5,400.00
200 Shares	Canadian Pacific Railway Stock, Common, par value \$25.00.....	1,400.00
45 Shares	Consolidated Paper Corp., Ltd. Common (non assessable, no par value)	405.00
100 shares	Bell Telephone Co. of Canada, Common.....	16,600.00
		<u>\$37,085.00</u>

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	DEPARTMENT VALUES
--------------	--	----------------------

\$ 10,000.00	Canada Permanent Trust Company, Toronto, 4%, 1939.....	\$10,000.00
5,000.00	Toronto General Trusts Corp., Toronto, 4%, 1940.....	5,000.00
10,000.00	Toronto General Trusts Corp., Toronto, 4%, 1939.....	10,000.00
5,000.00	Trusts and Guarantee Company, Toronto, 4¾%, 1939.....	5,000.00
<u>\$ 30,000.00</u>		<u>\$30,000.00</u>

## RECAPITULATION

\$ 672,580.00	Government Bonds.....	\$ 697,149.60
352,315.09	Municipal Bonds.....	339,660.28
35,346.29	School Bonds.....	33,473.99
303,000.00	Miscellaneous Bonds.....	297,460.00
<u>\$1,363,241.38</u>		<u>\$1,367,743.87</u>
	Stocks.....	37,085.00
	Deposits with Trust Companies for Investment.....	30,000.00
	GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....	<u>\$1,434,828.87</u>

NOTE: Securities are stated at values established by the Insurance Department of the Dominion of Canada.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	\$ 10,200.00
10,000	American Power & Light Company Deb. 6%, 2016.....	8,550.00
25,000	Baltimore & Ohio Secured Notes $4\frac{1}{2}\%$ , 1939.....	9,843.75
10,000	Baltimore & Ohio R. R. Conv. $4\frac{1}{2}\%$ , 1960.....	1,300.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975..	2,400.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" $4\frac{3}{4}\%$ , 1949.....	1,000.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. $4\frac{1}{2}\%$ , 1960.....	400.00
25,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	15,562.50
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	1,400.00
88,000	Mexican Federal Government Exterior 5%, 1945 Assented.....	880.00
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955.....	10,325.00
10,000	Queensboro Gas & Elec. Co. Conv. Deb. Series "A" $5\frac{1}{2}\%$ , 1952.....	6,600.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit)	1,400.00
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969.....	11,000.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	8,350.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	6,100.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" 5%, 1976.....	1,300.00
84,000	Mexican Federal Government Bonds de Caminos.....	12,062.06
P300,000	Mexican Federal Government Interior Consol. 3%, 1925.....	3,061.22
1,100	Mexican Federal Government Interior Debt 5%.....	11.22
106,800	United Shoe & Leather Company 5%, 1941.....	17,436.73

STOCKS

100 Shares	American Superpower 1st Preferred.....	6,850.00
84 Shares	Commonwealth & Southern Corporation Preferred.....	3,843.00
600 Shares	Lehigh Valley Coal Corporation Preferred.....	1,800.00
1 Share	Mexico City Country Club.....	1,020.41
200 Shares	Banco Nac. Hipotecario Urbano y de Obras Públicas.....	4,081.64

TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....\$146,777.53

NOTE: Securities are valued at actual market value as of December 31, 1938.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	MARKET VALUE
\$50,000 New England Power Association Deb. 5%, 1948.....	\$ 45,625.00

## STOCKS

100 Shares Engineers Public Service Co. 5% Convertible Preferred.....	\$ 6,712.50
1,000 Shares International Paper & Power Co. 5% Cum. Convertible Preferred..	50,750.00
1,000 Shares International Paper & Power Co. Common.....	14,500.00
600 Shares Lehigh Valley Coal Corporation Preferred.....	1,800.00
9 Shares Title Guaranty & Surety Company.....	90.00
200 Shares United Corporation Common.....	650.00
	<hr/>
	\$120,127.50

NOTE: Securities are valued at actual market value as of December 31, 1938.

# BRANCH OFFICES

## BY STATES

<i>State</i>	<i>Address</i>	<i>Manager</i>
ALABAMA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
ARIZONA.....	1002 Security Bldg., Los Angeles, Calif.....	A. I. Zimmerman
ARKANSAS.....	Commerce Title Bldg., Memphis, Tenn.....	H. F. Sharman
CALIFORNIA		
Northern.....	340 Pine Street, San Francisco, Calif.....	R. D. Weldon
Southern.....	1002 Security Building, Los Angeles Calif.....	A. I. Zimmerman
COLORADO.....	720 Patterson Building, Denver, Colo.....	D. L. Clark
CONNECTICUT.....	409 Capitol Building, Hartford, Conn.....	G. E. Schreck
DELAWARE.....	703 Land Title Bldg., Philadelphia, Pa.....	R. E. Benham
DISTRICT OF COLUMBIA.....	520 Southern Building, Washington, D. C.....	L. Bert Nye
FLORIDA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
GEORGIA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
IDAHO.....	1212 Walker Bank Bldg., Salt Lake City, Utah.....	W. D. Habish
ILLINOIS		
Northern.....	175 W. Jackson Boulevard, Chicago, Ill.....	J. L. Maehle
Southern.....	506 Olive Street, St. Louis, Mo.....	O. L. Kincheloe
INDIANA		
N. W. portion.....	175 W. Jackson Boulevard, Chicago, Ill.....	J. L. Maehle
Except N. W. ....	The Fletcher Trust Building, Indianapolis, Ind.....	T. W. King
IOWA.....	1205 Equitable Building, Des Moines, Ia.....	F. H. Noble
Council Bluffs.....	601 First National Bank Building, Omaha, Nebr.....	J. D. Frazee
KANSAS.....	National Fidelity Life Bldg., Kansas City, Mo.....	W. R. Evans
KENTUCKY		
10 northern counties.....	916 Union Trust Building, Cincinnati, Ohio.....	E. H. Schier
Southern.....	Washington Building, Louisville, Ky.....	L. Y. Johnson
LOUISIANA.....	507 Whitney Building, New Orleans, La.....	L. P. McGee
MAINE.....	10 Post Office Square, Boston Mass.....	F. B. Hammond
MARYLAND		
Eastern.....	703 Land Title Building, Philadelphia, Pa.....	R. E. Benham
Western.....	520 Southern Building, Washington, D. C.....	L. Bert Nye
MASSACHUSETTS.....	10 Post Office Square, Boston, Mass.....	F. B. Hammond
MICHIGAN		
12 counties in northern peninsula.....	230 Wells Building, Milwaukee, Wisc.....	C. D. Marks
Southern.....	The National Bank Building, Detroit, Mich.....	J. C. Smith
MINNESOTA.....	1320 Northwestern Bank Building, Minneapolis, Minn.....	L. C. Minor
MISSISSIPPI		
Northern.....	Commerce Title Building, Memphis, Tenn.....	H. F. Sharman
Southern.....	507 Whitney Building, New Orleans, La.....	L. P. McGee
MISSOURI		
Eastern.....	506 Olive Street, St. Louis, Mo.....	O. L. Kincheloe
Western.....	National Fidelity Life Building, Kansas City, Mo.....	W. R. Evans
MONTANA.....	1212 Walker Bank Bldg., Salt Lake City, Utah.....	W. D. Habish
NEBRASKA.....	601 First National Bank Building, Omaha, Nebr.....	J. D. Frazee

# BRANCH OFFICES—Continued

<i>State</i>	<i>Address</i>	<i>Manager</i>
NEVADA	340 Pine Street, San Francisco, Calif.	R. D. Weldon
2 counties in central portion	1212 Walker Bank Building, Salt Lake City, Utah	W. D. Habish
NEW HAMPSHIRE	10 Post Office Square, Boston, Mass.	F. B. Hammond
NEW JERSEY		
Northern	744 Broad Street, Newark, N. J.	H. N. Hutchinson
Bergen and Hudson Counties	Trust Co. of N. J. Building, Jersey City, N. J.	A. Schneider
Southern	703 Land Title Building, Philadelphia, Pa.	R. E. Benham
NEW MEXICO	720 Patterson Bldg., Denver, Colo.	D. L. Clark
NEW YORK		
Metropolitan District	100 William Street, New York, N. Y.	M. L. Jenks
Long Island	185 Montague Street, Brooklyn, N. Y.	E. D. Sadler
Eastern	100 State Street, Albany, N. Y.	M. L. Perry
Central	310 Onondaga County Savings Bank Bldg., Syracuse, N. Y.	A. B. Fuller
Monroe County	419 Union Trust Co. Building, Rochester, N. Y.	J. W. Wood
Western	Liberty Bank Building, Buffalo, N. Y.	H. L. Hart
NORTH CAROLINA	520 Southern Bldg., Washington, D. C.	L. Bert Nye
NORTH DAKOTA	1320 Northwestern Bank Bldg., Minneapolis, Minn.	L. C. Minor
OHIO		
Northeastern	1416 B. F. Keith Building, Cleveland, Ohio	G. A. Hurlbutt
Northwestern	1401 Second National Bank Building, Toledo, Ohio	C. S. Maxson
Southern	916 Union Trust Building, Cincinnati, Ohio	E. H. Schier
Middle	935 Huntington Bank Building, Columbus, Ohio	C. W. McNeil
OKLAHOMA	543 American National Bldg., Oklahoma City, Okla.	H. J. Roleke
OREGON	500 Yeon Building, Portland, Ore.	W. J. Lyons
PENNSYLVANIA		
Eastern	703 Land Title Building, Philadelphia, Pa.	R. E. Benham
Western	2517 Grant Building, Pittsburgh, Pa.	A. A. Rohrich
Northeastern	First National Bank Building, Scranton, Pa.	P. J. MacDonough
RHODE ISLAND	538 Hospital Trust Building, Providence, R. I.	R. Buss
SOUTH CAROLINA	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.	A. O. Davis
SOUTH DAKOTA	1320 Northwestern Bank Bldg., Minneapolis, Minn.	L. C. Minor
TENNESSEE		
Eastern and Middle	Washington Building, Louisville, Ky.	L. Y. Johnson
Western	Commerce Title Building, Memphis, Tenn.	H. F. Sharman
TEXAS	1713 Santa Fe Building, Dallas, Texas	E. A. Teague
UTAH	1212 Walker Bank Building, Salt Lake City, Utah	W. D. Habish
VERMONT	10 Post Office Square, Boston, Mass.	F. B. Hammond
VIRGINIA	520 Southern Building, Washington, D. C.	L. Bert Nye
WASHINGTON	502 Hoge Building, Seattle, Wash.	S. H. Melrose
WEST VIRGINIA		
Southern and Middle	916 Union Trust Building, Cincinnati, Ohio	E. H. Schier
Northwestern	2517 Grant Building, Pittsburgh, Pa.	A. A. Rohrich
Northeastern	520 Southern Building, Washington, D. C.	L. Bert Nye
WISCONSIN	230 Wells Building, Milwaukee, Wisc.	C. D. Marks
WYOMING	720 Patterson Building, Denver, Colo.	D. L. Clark















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AMERICAN SURETY COMPANY  
*of* NEW YORK



REPORT OF THE PRESIDENT  
*for* 1939









REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK



FOR THE YEAR ENDED

DECEMBER 31, 1939

# AMERICAN SURETY COMPANY

OF NEW YORK

## BOARD OF TRUSTEES

JOSEPH F. ABBOTT  
GEORGE A. ANDERSON  
JOHN ANDERSON  
NEWCOMB CARLTON  
FANNIN W. CHARKE  
ARTEMUS L. GATES  
HENRY O. HAVEMEYER  
F. COIT JOHNSON  
JOHN L. KEMMERER  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
JAMES T. LEE

JEREMIAH T. MAHONEY  
W. E. MCKELL  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
LEWIS H. PARRY  
HARPER SIBLEY  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
ALBERT H. WIGGIN  
BRONSON WINTHROP

## OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

A. F. LAFRENTZ  
*President*

W. M. TOMLINS, JR.  
*First Vice-President*

### *Vice-Presidents*

D. H. COOK  
H. P. DUNHAM  
R. B. HAMILTON  
M. L. JENKS  
W. E. MCKELL

L. S. MOORE  
G. L. NAUGHT  
F. J. PARRY  
LEWIS H. PARRY  
E. F. WATSON

W. O. WATERS  
*Treasurer*

C. H. HALL  
*Secretary*

A. A. NELSON  
*Comptroller*

## NEW YORK CASUALTY COMPANY

### BOARD OF DIRECTORS

ARCHIBALD S. ALEXANDER	STEPHEN V. DUFFY	THOMAS H. ROULSTON
CHAS. C. AUCHINCLOSS	F. W. LAFRENTZ	W. M. TOMLINS, JR.
GOODWIN B. BEACH	A. F. LAFRENTZ	CARY D. WATERS
J. FRANK CLANCY	PERCY C. MAGNUS	FREDERIC T. WOOD
	W. E. McKELL	

### OFFICERS

F. W. LAFRENTZ <i>Chairman of the Board</i>	W. E. McKELL <i>President</i>	W. M. TOMLINS, JR. <i>First Vice-President</i>
WILLIAM GOETZ <i>Treasurer</i>	C. H. HALL <i>Secretary</i>	A. A. NELSON <i>Comptroller</i>

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## CANADIAN SURETY COMPANY

### BOARD OF DIRECTORS

JOHN B. ALEXANDER	A. F. LAFRENTZ	W. E. McKELL
M. L. BRADSHAW	ARNOLD C. MATTHEWS	PAUL J. MYLER
D. H. COOK	W. DONALD MATTHEWS	F. GORDON OSLER
F. W. LAFRENTZ		F. J. PARRY

### OFFICERS

F. GORDON OSLER <i>Chairman of the Board</i>	A. F. LAFRENTZ <i>President</i>	
JOHN B. ALEXANDER <i>Vice-Pres. &amp; Gen. Mgr.</i>	E. C. TYRRELL <i>Treasurer</i>	GEORGE F. GREGORY <i>Secretary</i>

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## CIA. MEXICANA DE GARANTIAS, S. A.

### BOARD OF DIRECTORS

LEWIS H. PARRY	F. W. LAFRENTZ	JOSÉ MARIA RAZ
LIC. FLAVIO GONZÁLEZ	A. F. LAFRENTZ	A. R. DOBSON
	W. M. TOMLINS, JR.	

### OFFICERS

LEWIS H. PARRY <i>President</i>	LIC. FLAVIO GONZÁLEZ <i>Vice-President</i>	JOSÉ A. ZEVADA <i>Manager</i>
ENRIQUE ESNAURRIZAR <i>Treasurer</i>	H. F. AHLSCHIER <i>Accountant</i>	I. ALMEIDA <i>Secretary</i>



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## ADMITTED ASSETS

	1939	1938	Increase	Decrease
Real Estate.....	\$ 8,235,000.00	\$10,000,000.00		\$1,765,000.00
*Bonds.....	5,422,584.85	6,070,737.50		648,152.65
*Stocks.....	5,800,086.37	4,655,127.17	\$1,144,959.20	
Premiums in Course of Col- lection (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due).....	1,676,818.48	1,729,805.78		52,987.30
Cash in Banks and Offices....	5,276,618.50	4,119,859.50	1,156,759.00	
Reinsurance and Other Accounts Receivable.....	194,693.60	120,860.15	73,833.45	
Interest and Rents Due and Accrued.....	23,446.36	46,588.97		23,142.61
	<u>\$26,629,248.16</u>	<u>\$26,742,979.07</u>		<u>\$113,730.91</u>

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits Reserve for Unearned Premiums.....	5,837,363.13	5,200,522.53	\$ 636,840.60	
Reserve for Reported Losses..	6,192,656.33	5,866,117.65	326,538.68	
Reserve for Unreported Losses:	3,612,029.98	3,445,945.04	166,084.94	
Allocated to Specific Lines..	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York..	135,248.16	124,202.48	11,045.68	
Unallocated (Voluntary)...	301,982.36	296,316.56	5,665.80	
Reserve for Expenses, Taxes and other Liabilities.....	1,253,689.35	1,290,082.31		\$ 36,392.96
Reserve for Depreciation— H. O. Building.....	235,000.00	1,500,000.00		1,265,000.00
Dividend Payable— January 2, 1940.....	375,000.00	375,000.00		
*Contingency Reserve.....	81,278.85	39,792.50	41,486.35	
	<u>\$26,629,248.16</u>	<u>\$26,742,979.07</u>		<u>\$113,730.91</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are carried at less than their book value, with Contingency Reserve set up as a Liability to adjust amortized values to market values.

January 16, 1940.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1939 (in the fifty-sixth year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$12,726,110.20	(Increase \$986,047.24)
Less Reinsurance Ceded.....	2,698,796.78	(Increase 247,567.24)
Net Premiums Written.....	10,027,313.42	(Increase 738,480.00)
Increase in Unearned Premium Reserve.....	326,538.68	(Increase 402,079.72)
Earned Premiums.....	9,700,774.74	(Increase 336,400.28)
From Home Office Building—		
Rents Less Operating Cost.....	426,427.50	(Decrease 111,567.70)
From Securities—Interest and Dividends.....	313,865.28	(Decrease 1,484.68)
TOTAL INCOME.....	<u>\$10,441,067.52</u>	(Increase 223,347.90)
OUTGO:		
For Operating Expenses Paid.....	\$ 3,598,565.64	(Increase 18,791.84)
For Claim Expenses Paid.....	625,079.05	(Increase 9,450.08)
For Investment Expenses.....	37,383.36	(Increase 4,352.13)
For Commissions Paid.....	1,733,322.29	(Increase 236,799.30)
For Taxes Paid.....	691,281.09	(Increase 41,931.01)
For Losses Incurred.....	\$3,198,700.92	(Increase 538,637.74)
Less Cash Salvage.....	895,395.07	(Increase 143,934.20)
Net Losses Incurred.....	2,303,305.85	(Increase 394,703.54)
TOTAL OUTGO.....	<u>\$ 8,988,937.28</u>	(Increase 706,027.90)
EXCESS OF INCOME OVER OUTGO.....		\$1,452,130.24
(Decrease of \$482,680.00)		
Deduct—Increase in:		
Reserve for Depreciation of Building...\$	100,000.00	
Reserve for Overdue Premiums.....	20,536.49	
	120,536.49	
Less—Decrease in:		
Reserve for Expenses and Taxes.....	49,243.38	\$71,293.11
Agents' Balances Charged Off.....	3,896.50	75,189.61
Investment Income and Underwriting Profit Less Reserves.....		\$1,376,940.63

[ page three ]

Brought Forward.....		\$1,376,940.63
Add:		
Appreciation in Value of Securities.....		446,016.62
		<u>1,822,957.25</u>
Deduct:		
Loss from Sale of Securities and from Foreign Exchange.....	\$ 19,405.17	
Transfer to Special Reserve.....	16,711.48	
Transfer to Reserve for Depreciation of Home Office Building in addition to annual provision.....	400,000.00	436,116.65
		<u>1,386,840.60</u>
Dividends Declared.....		750,000.00
Added to Surplus.....		636,840.60
Surplus January 1, 1939.....		<u>5,200,522.53</u>
Surplus December 31, 1939.....		<u>\$5,837,363.13</u>

The foregoing may be summarized as follows:

Investment Income after providing \$100,000 depreciation of Home Office Building.....	\$ 602,909.42	
Underwriting Profit after Reserves, including provision for Federal Income Tax.....	774,031.21	
Total Net Earnings.....	1,376,940.63	
Appreciation in value of Securities less loss from Sales of Securities and from Foreign Exchange.....	426,611.45	
Making a Total of.....	1,803,552.08	
from which sum there was deducted:		
Transfer to Special Reserve.....	\$ 16,711.48	
Transfer to Reserve for Depreciation of Home Office Building in addition to annual provision.....	400,000.00	
Dividends Paid and Declared.....	750,000.00	1,166,711.48
Leaving addition to Surplus and Undivided Profits.....	\$ 636,840.60	

During the year there passed through our records premiums amounting to \$12,726,110.20. After paying reinsuring companies \$2,698,796.78, net premiums came to \$10,027,313.42. This is a gain of \$738,480.00 over 1938 or 8%. Of this increase \$326,538.68 was carried to Reserve

for Unearned Premiums which left Earned Premiums of \$9,700,774.74 compared with \$9,364,374.46 for 1938, a gain of \$336,400.28.

A new lease at a substantially lower annual rental was entered into with our largest tenant for a period of ten years commencing May 1, 1939. As a result the net return from the Home Office Building was \$111,567.70 less than that reported for 1938. At present the building is 94% rented, compared with 92% a year ago.

The amount of Interest and Dividends Received was slightly below the total for 1938. Interest earned amounted to \$128,594.77 and Dividends received totaled \$185,270.51 of which \$75,538.01 was received from subsidiary companies.

Notwithstanding an increase of approximately \$1,000,000.00 in premium writings, due to economics total Operating Expenses Paid were only one-half of one percent greater than the total for 1938 or \$18,791.84. Claim Expenses Paid were \$9,450.08 higher than in the previous year.

Commissions are paid to agents and brokers on collection of premiums. During 1939 gross collections were \$1,511,579.94 in excess of the 1938 receipts which accounts for the increase of \$236,799.30 in commissions payments.

The principal increases in Taxes Paid were \$13,377.27 Federal Income Tax, \$12,076.62 Premium Taxes and \$19,075.76 Examination Fees. The latter increase represents the cost of the triennial examination conducted by the Insurance Departments of New York, Virginia and South Dakota during the year.

Net Losses Incurred rose from \$1,908,602.31 in 1938 to \$2,303,305.85, an increase of \$394,703.54. Considering the increase in the statutory loss reserves required by reason of the expanding volume of casualty writings and the favorable loss experience of recent years this advance in incurred losses is not abnormal. The loss ratio to Earned Premiums for 1939 was 23.7% compared with 20.4% for 1938.

Conforming to our established policy \$100,000.00 was charged to operations for Depreciation of the Home Office Building. In addition thereto \$400,000.00 was credited to Reserve for Depreciation out of Net Earnings for the year.

The appreciation in value of securities of \$446,016.62 was the result of evaluating as of December 31st all listed bonds and stocks at actual market and stocks of subsidiary companies at cost which in each instance was less than book value.

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Total Admitted Assets as of December 31, 1939, amounted to \$26,629,248.16 after writing down the value of Unencumbered Real Estate \$1,765,000.00.

This property consisting of a twenty-three story office building located at 100 Broadway, New York City, was appraised June 5, 1933, at \$10,000,000.00. It was carried at that value in the Financial Statement as of the close of 1938 subject to a reserve of \$1,500,000.00 for depreciation. A reappraisal of the property by the New York Insurance Department on April 7, 1939, reduced the value to \$8,235,000.00. The accounts have been adjusted to reflect this appraisal and in addition a reserve of \$235,000.00 has been set up to reduce the net book value as of December 31, 1939, to \$8,000,000.00.

As of December 31, 1939, Securities Owned were valued at \$11,222,671.22 as follows:



Amortizable bonds at amortized values, other bonds and stocks at market values established by the Insurance Department and stocks of subsidiary companies at cost which was \$1,183,581.67 less than their aggregate book value. To reduce amortized values to market values a Contingency Reserve of \$81,278.85 has been provided.

Premiums in course of collection amounted to \$2,025,569.43 at the close of the year, from which in accordance with Insurance Department requirements there has been deducted Reinsurances Payable \$207,083.25 and Premiums more than ninety days due \$141,667.70. Accounts considered uncollectible have been charged off.

Cash in Banks and Offices on December 31st totaled \$5,276,618.50. This is an increase of \$1,156,759.00 over the amount reported a year ago.

\$326,538.68 was added to Reserve for Unearned Premiums during the year due to the increase in premium volume. At December 31st this reserve amounted to \$6,192,656.33 equal to 61 $\frac{3}{4}$ % of net premium income for the year.

All claims of which the Company had notice have been provided for in the Reserve for Reported Losses which amounted to \$3,612,029.98 at the year-end. In addition thereto reserves aggregating \$1,542,230.52 were carried to cover unknown and unreported losses.

Expenses, Commissions, Federal and State taxes and other liabilities accrued but not due at the close of the year amounted to \$1,253,689.35 for which provision has been made.

Consolidated Earnings for the year of the American Surety Company and its subsidiary companies, the New York Casualty Company, Canadian Surety Company, Compania Mexicana de Garantias, S. A. and Amsuco Securities Company, were:

Investment Income, excluding inter-company dividends . . . . .	\$ 730,730.99
Underwriting Profit . . . . .	1,068,726.39

Total Net Earnings . . . . .	\$1,799,457.38
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Net earnings applicable to minority stockholders of subsidiary companies . . . . .	\$ 13,779.53
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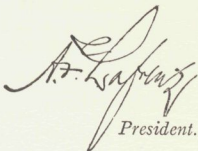
Net earnings applicable to stockholders of the American Surety Company . . . . .	\$1,785,677.85
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(Net income of Compania Mexicana de Garantias, S. A. converted at the rate of 4.90 Mexican Pesos to one United States Dollar—Net income of Canadian Surety Company converted to United States Dollars at par.)

This affords an opportunity for me to acknowledge the splendid work that has been done throughout the past year by the members of our staff and by the members of our agency forces in extending the usefulness and service of our Companies and to record my appreciation for their cooperation and support.

To the members of this Board and of its various committees I am indeed grateful for their wise counsel and advice.

Respectfully submitted,

  
President.

## GENERAL INFORMATION

There were presented to us during 1939:

		Comparison with Preceding Year
Fidelity Claims.....	789	Decrease of 194
Blanket Bond Claims.....	2,395	Increase of 309
Official Claims.....	347	Decrease of 39
Surety Claims.....	424	Increase of 4
Burglary Claims.....	457	Decrease of 25
Forgery Claims.....	254	Decrease of 46
Plate Glass Claims.....	1,423	Decrease of 39
Auto Liability Claims.....	1,873	Increase of 265
Auto Property Damage Claims.....	6,199	Increase of 915
Auto Collision Claims.....	42	Increase of 3
Miscellaneous Liability Claims.....	2,381	Increase of 778
Miscellaneous Property Damage & Collision Claims..	288	Increase of 171
Workmen's Compensation Claims.....	9,684	Increase of 4,962
Total.....	26,556	Increase of 7,064

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{ Year 1939 . . . 15.93 Entire Period . . 28.45
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{ Year 1939 . . . 14.73 Entire Period . . 31.98
Plate Glass Claims Paid to Net Premiums . . . . .	{ Year 1939 . . . 33.13 Entire Period . . 34.71
Other Casualty Claims Paid to Net Premiums . . . . .	{ Year 1939 . . . 32.48 Entire Period . . 37.37

The Company has an agency organization consisting of 41 Branch and Service Offices on a salary basis, and 9,970 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a	
Net Premium Income of.....	\$242,287,089.35
Its Net Paid Losses were.....	71,209,441.55
And Its Expenses were.....	149,313,220.48
Leaving an excess from underwriting, subject to Reserves, of.....	21,764,427.32
Which is equivalent to 8.98% of the Net Premium Income.	
Income from Investments.....	25,670,289.88
Our Stockholders have received in Cash Dividends.....	25,137,350.50

[ page seven ]

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1939

ADMITTED ASSETS

Real Estate.....		\$ 8,340,275.24
†Bonds, Stocks and Debentures.....		13,084,152.54
Premiums and Agents' Balances in Course of Collection.....	\$2,873,860.59	
Less Reinsurance Payable.....	<u>262,096.97</u>	\$2,611,763.62
Less Premiums and Agents' Balances more than Ninety Days due.....		<u>211,889.42</u> 2,399,874.20
Cash.....		7,044,002.50
Real Estate Mortgage and other Secured Loans.....		832,101.18
Reinsurance and other Accounts Receivable.....		252,903.04
Interest and Rents Due and Accrued.....		<u>53,471.87</u>
		\$32,006,780.57

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share).....	\$ 7,500,000.00
Surplus and Undivided Profits.....	6,916,478.36
Legal Fund Provision—Mexico.....	28,735.63
Minority Interest in Subsidiary Companies.....	141,542.77
Reserve for Unearned Premiums.....	8,164,239.88
Reserve for Reported Losses.....	4,787,167.92
Reserve for Unreported Losses:	
Allocated to Specific Lines.....	\$1,495,000.00
Allocated to Losses due from Companies not authorized in the State of New York.....	<u>135,248.16</u>
Unallocated (Voluntary).....	<u>322,476.15</u> 1,952,724.31
Reserve for Expenses, Taxes and Other Liabilities.....	1,685,356.21
Reserve for Depreciation—Home Office Building.....	235,000.00
Dividend Payable—January 2, 1940.....	375,000.00
*Contingency Reserve.....	100,623.70
**Reserve for Fluctuation of Canadian Exchange.....	<u>119,911.79</u>
	\$32,006,780.57

\*Adjusts securities to market value.

\*\*Adjusts the value of Net Assets in the Dominion of Canada to the Current Rate of Exchange.

†Securities carried at \$1,984,351.96 in the above statement and cash amounting to \$41,810.34 are deposited for purposes required by law.

# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1939

## ADMITTED ASSETS

Real Estate .....		\$ 8,235,000.00	
Home Office Premises Unencumbered (Appraised by New York Insurance Department April 7, 1939)			
*Securities:			
Bonds .....	\$5,422,584.85		
Preferred Stocks .....	1,204,134.00		
Common Stocks .....	4,595,952.37	11,222,671.22	
Premiums in Course of Collection .....	\$2,025,569.43		
Less Reinsurance Payable .....	207,083.25	1,818,486.18	
Less Premiums more than Ninety Days due .....		141,667.70	1,676,818.48
Cash in Banks and Offices .....			5,276,618.50
Reinsurance and other Accounts Receivable .....			194,693.60
Interest and Rents Due and Accrued .....			23,446.36
			<u>\$26,629,248.16</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) .....	\$ 7,500,000.00		
Surplus and Undivided Profits .....	5,837,363.13		
Reserve for Unearned Premiums .....	6,192,656.33		
Reserve for Reported Losses .....		3,612,029.98	
Reserve for Unreported Losses:			
Allocated to Specific Lines .....	\$1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York .....	135,248.16		
Unallocated (Voluntary) .....	301,982.36	1,542,230.52	
Reserve for Expenses, Taxes and Other Liabilities .....		1,253,689.35	
Reserve for Depreciation—Home Office Building .....		235,000.00	
Dividend Payable—January 2, 1940 .....		375,000.00	
*Contingency Reserve .....		81,278.85	
		<u>\$26,629,248.16</u>	

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of Subsidiary Companies which are carried at less than their book value. The market value of amortizable bonds is \$81,278.85 less than their amortized value, with Contingency Reserve set up as a liability to adjust amortized values to market values.

Securities carried at \$1,047,175.19 in the above statement are deposited for purposes required by law.



The revenue accounts of the NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$3,292,638.14	(Increase \$72,766.87)
Less Reinsurance Ceded.....	<u>539,705.79</u>	(Increase 69,759.48)
Net Premiums Written.....	2,752,932.35	(Increase 3,007.39)
Increase in Unearned Premium Reserve.....	<u>69,570.10</u>	(Decrease 8,171.83)
Earned Premiums.....	2,683,362.25	(Increase 11,179.22)
From Rents, Less Operating Costs (Loss).....	995.63	(Decrease 1,450.72)
From Securities—Interest and Dividends.....	<u>126,066.52</u>	(Increase 10,254.98)
TOTAL INCOME.....	<u>\$2,808,433.14</u>	(Increase 19,983.48)
OUTGO:		
For Operating Expenses Paid.....	\$ 531,864.95	(Increase 11,634.48)
For Claim Expenses Paid.....	224,203.25	(Increase 14,792.87)
For Investment Expenses.....	7,404.88	(Increase 602.09)
For Commissions Paid.....	614,378.62	(Increase 38,529.77)
For Taxes Paid.....	154,588.19	(Increase 10,215.52)
For Losses Incurred.....	\$1,031,089.20	(Decrease 37,176.92)
Less Cash Salvage.....	<u>104,255.54</u>	(Decrease 14,531.06)
Net Losses Incurred.....	926,833.66	(Decrease 22,645.86)
TOTAL OUTGO.....	<u>\$2,459,273.55</u>	(Increase 53,128.87)
EXCESS OF INCOME OVER OUTGO.....		\$349,159.59
(Decrease of \$33,145.39)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 8,819.52	
Additional Statutory Loss Reserve...	<u>25,000.00</u>	\$ 33,819.52
DECREASE IN:		
Reserve for Overdue Premiums.....	<u>2,748.77</u>	
	31,070.75	
Agents' Balances Charged Off.....	<u>9,356.93</u>	40,427.68
Investment Income and Underwriting Profit Less Reserves.....		308,731.91
Add:		
Appreciation in Value of Investments.....		<u>6,119.26</u>
		314,851.17
Deduct:		
Loss from Sale of Investments.....	7,813.85	
Transfer to Special Reserve.....	<u>14,340.83</u>	22,154.68
Added to Surplus.....		292,696.49
Surplus January 1, 1939.....		<u>957,762.18</u>
Surplus December 31, 1939.....		<u>\$1,250,458.67</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1939

## ADMITTED ASSETS

Real Estate.....		\$ 35,000.00
Mortgage Loans on Real Estate.....		656,849.18
*Securities:		
Bonds.....	\$1,513,914.85	
Stocks.....	1,133,691.25	2,647,606.10
Premiums in Course of Collection.....	\$741,734.39	
Less Reinsurance Payable.....	31,492.57	710,241.82
Less Premiums more than Ninety Days due.....	60,387.70	649,854.12
Cash in Banks and Offices.....		1,406,759.46
Reinsurance and Other Accounts Receivable.....		33,815.10
Interest Due and Accrued.....		16,556.78
		<u>\$5,446,440.74</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share).....	\$1,000,000.00	
Surplus and Undivided Profits.....	1,250,458.67	
Reserve for Unearned Premiums.....	1,516,607.80	
Reserve for Reported Losses.....	1,000,560.33	
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$ 290,000.00	
Unallocated (Voluntary).....	20,493.79	310,493.79
Reserve for Expenses, Taxes and Other Liabilities.....	348,975.30	
*Contingency Reserve.....	19,344.85	
		<u>\$5,446,440.74</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York. The market value of amortizable bonds is \$19,344.85 less than their amortized value, with Contingency Reserve set up as a liability to adjust amortized values to market values.

Securities carried at \$674,800.64 in the above statement are deposited for purposes required by law.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

(Stated in Canadian Dollars)		Comparison
INCOME:		with Preceding Year
From Premiums Written.....	\$747,869.33	(Increase \$69,626.84)
Less Reinsurance Ceded.....	118,647.08	(Increase 5,158.80)
Net Premiums Written.....	629,222.25	(Increase 64,468.04)
Increase in Unearned Premium Reserve.....	28,135.40	(Increase 14,185.69)
Earned Premiums.....	601,086.85	(Increase 50,282.35)
From Securities—Interest and Dividends.....	57,688.57	(Increase 536.29)
TOTAL INCOME.....	<u>\$658,775.42</u>	(Increase 50,818.64)
OUTGO:		
For Operating Expenses Paid.....	\$183,933.38	(Increase 8,744.79)
For Claim Expenses Paid.....	26,809.47	(Decrease 377.14)
For Commission Paid.....	140,697.63	(Increase 15,875.90)
For Taxes Paid.....	31,988.50	(Increase 2,157.24)
For Losses Incurred.....	\$198,519.68	(Increase 10,880.06)
Less Cash Salvage.....	42,217.06	(Increase 12,438.81)
Net Losses Incurred.....	156,302.62	(Decrease 1,558.75)
TOTAL OUTGO.....	<u>\$539,731.60</u>	(Increase 24,842.04)
EXCESS OF INCOME OVER OUTGO.....		\$119,043.82
(Increase \$25,976.60)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 21,271.58	
Reserve for Overdue Premiums.....	1,304.22	\$ 22,575.80
DECREASE IN:		
Agents' Balances Charged off.....	227.57	22,348.23
Investment Income and Underwriting Profit Less Reserves.....		96,695.59
Add:		
Profit on Sale of Securities.....	3,194.15	
Less Depreciation in Value of Securities.....	2,426.90	767.25
		97,462.84
Deduct:		
Dividends Paid.....		31,250.00
Added to Surplus.....		66,212.84
Surplus January 1, 1939.....		566,140.83
Surplus December 31, 1939.....		<u>\$632,353.67</u>

# THE CANADIAN SURETY COMPANY

## FINANCIAL STATEMENT, DECEMBER 31, 1939

(Stated in Canadian Dollars)

### ADMITTED ASSETS

*Bonds, Stocks and Debentures . . . . .		\$1,531,861.07
Premiums and Agents' Balances in Course of Collection . . . . .	\$101,555.25	
Less Reinsurance Payable . . . . .	<u>23,521.15</u>	\$78,034.10
Less Premiums and Agents' Balances more than Ninety Days due . . . . .	<u>9,834.02</u>	68,200.08
Cash in Banks and Offices . . . . .		70,432.33
Reinsurance Receivable . . . . .		14,017.00
Accrued Interest Receivable . . . . .		<u>12,117.38</u>
		\$1,696,627.86

### LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share) . . . . .	\$ 500,000.00
Surplus and Undivided Profits . . . . .	632,353.67
Reserve for Unearned Premiums . . . . .	306,576.66
Reserve for Reported Losses . . . . .	119,774.60
Reserve for Unreported Losses . . . . .	75,000.00
Reserve for Expenses and Taxes . . . . .	<u>62,922.93</u>
	\$1,696,627.86

\*Bonds, Stocks and Debentures are stated at values established by the Insurance Department of the Dominion of Canada.

Securities carried at \$262,376.13 in the above statement are deposited for purposes required by law.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

(Stated in Mexican Pesos)

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	P\$1,329,564.26	(Increase P\$351,772.37)
Less Reinsurance Ceded.....	<u>231,522.24</u>	(Decrease 26,086.24)
Net Premiums Written.....	1,098,042.02	(Increase 377,858.61)
Increase in Unearned Premium Reserve....	<u>27,785.46</u>	(Increase 42,842.84)
Earned Premiums.....	1,070,256.56	(Increase 335,015.77)
From Buildings—Rents Less Operating Cost.....	21,537.96	(Decrease 3,148.38)
From Securities—Interest and Dividends.....	<u>88,976.12</u>	(Increase 7,009.83)
TOTAL INCOME.....	<u>P\$1,180,770.64</u>	(Increase 338,877.22)
OUTGO:		
For Operating Expenses Paid.....	P\$ 273,048.00	(Increase 58,940.42)
For Claim Expenses Paid.....	21,909.77	(Increase 5,851.57)
For Taxes Paid.....	67,299.51	(Increase 3,593.24)
For Commissions Paid.....	181,127.91	(Increase 116,207.03)
For Loss Incurred.....	P\$327,447.35	(Increase 136,771.20)
Less Cash Salvage.....	<u>117,225.08</u>	(Increase 53,833.93)
Net Losses Incurred.....	210,222.27	(Increase 82,937.28)
TOTAL OUTGO.....	<u>P\$ 753,607.46</u>	(Increase 267,529.52)
Investment Income and Underwriting Profit.....		P\$427,163.18

(Stated in United States Dollars converted at the rate of 4.90 Pesos Mexican to One Dollar United States)

Investment Income and Underwriting Profit.....	\$ 87,176.15
Add:	
Appreciation in Value of Securities Unsold.....	<u>7,055.75</u>
	\$ 94,231.90
Deduct:	
Dividends Paid.....	<u>43,367.35</u>
	\$ 50,864.55
Surplus January 1, 1939.....	\$163,078.45
Deduct:	
Adjustment of Dollar Value Net Assets Due to Decline in the Rate of Exchange from 4.90 to 5.80 Pesos.....	<u>\$34,013.92</u>
Deduct:	
Capital Stock P\$500,000 Par Value Converted at Rate of 5.80 instead of 4.90.....	<u>15,833.92</u> <u>18,180.00</u> <u>144,898.45</u>
Surplus December 31, 1939.....	<u>\$195,763.00</u>

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1939

(Converted into United States Currency, in the ratio of 5.80 Mexican Pesos, to One United States Dollar)

ADMITTED ASSETS

Real Estate—Unencumbered . . . . .	\$ 70,275.24
Bonds and Stocks (At Market Value) . . . . .	145,525.52
Premiums in Course of Collection . . . . .	5,001.52
Cash in Banks and Office . . . . .	107,254.42
Cash Reinsurance Fund . . . . .	111,874.11
*Cash Deposits under Law . . . . .	41,810.34
Mortgage Loans . . . . .	68,402.53
Reinsurance and Accounts Receivable . . . . .	5,681.23
Interest Due and Accrued . . . . .	1,351.35
	<hr/>
	\$557,176.26

LIABILITIES

Capital Stock (5,000 Shares. Par Value P 100. per Share) . . . . .	\$ 86,206.90
Surplus and Undivided Profits . . . . .	\$195,763.00
Legal Fund Provision . . . . .	28,735.63
	<hr/>
Reserve for Unearned Premiums . . . . .	148,399.09
Reserve for Reported Losses . . . . .	54,803.01
Reserve for Unreported Losses . . . . .	25,000.00
Reserve for Expenses, Taxes and Other Liabilities . . . . .	18,268.63
	<hr/>
	\$557,176.26

\*Cash amounting to \$41,810.34 is deposited for purposes required by law.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . . \$ 4,729.14

TOTAL INCOME . . . . . \$ 4,729.14

OUTGO:

For Expenses Paid . . . . . 9.78

For Taxes Paid . . . . . 1,668.25

TOTAL OUTGO . . . . . \$ 1,678.03

EXCESS OF INCOME OVER OUTGO . . . . . \$ 3,051.11

Add:

Appreciation in value of Securities . . . . . 10,237.50

13,288.61

Deduct:

Dividends Paid . . . . . 3,000.00

Add to Surplus . . . . . 10,288.61

Surplus January 1, 1939 . . . . . 109,375.31

Surplus December 31, 1939 . . . . . \$119,663.92

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1939

### RESOURCES

Bonds and Stocks (At Market Value) . . . . . \$130,365.00

Cash in Banks . . . . . 29,253.34

Real Estate Mortgage and other Loans Receivable . . . . . 106,849.47

Accounts Receivable less Reserve . . . . . 4,696.11

\$271,163.92

### LIABILITIES

Capital Stock (3,000 Shares. Par Value \$50.00 per Share) . . . . . \$150,000.00

Surplus . . . . . 119,663.92

Reserve for Taxes . . . . . 1,500.00

\$271,163.92

# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE		DEPARTMENT VALUES
U. S. GOVERNMENT BONDS		
\$ 700,000	U. S. of America Treasury Notes, Ser. "B" $1\frac{1}{2}\%$ , 1940.....	\$ 714,000.00
200,000	U. S. of America Treasury Notes, Ser. "C" $1\frac{1}{2}\%$ , 1940.....	204,000.00
200,000	U. S. of America Treasury Notes, Ser. "A" $1\frac{1}{2}\%$ , 1941.....	206,000.00
20,000	U. S. of America Treasury Bonds $3\frac{3}{8}\%$ , 1943/1941.....	21,000.00
500,000	U. S. of America Treasury Notes, Ser. "B" $1\%$ , 1944.....	510,000.00
269,000	U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1945/1943.....	295,900.00
84,500	U. S. of America Treasury Bonds $3\frac{1}{4}\%$ , 1946/1944.....	92,950.00
650,000	U. S. of America Treasury Bonds $2\%$ , 1947.....	682,500.00
25,000	U. S. of America Treasury Bonds $3\%$ , 1948/1946.....	27,750.00
120,000	U. S. of America Treasury Bonds $2\%$ , 1950/1948.....	123,600.00
1,000,000	U. S. of America Treasury Bonds $2\frac{1}{4}\%$ , 1953/1951.....	1,030,000.00
<hr/> \$3,768,500		<hr/> \$3,907,700.00
STATE, U. S. POSSESSIONS AND CANADIAN BONDS		
\$ 50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1940.....	\$ 50,000.00
25,000	N. Y. State Emerg. Construction $2\frac{1}{4}\%$ , 1940.....	25,000.00
50,000	N. Y. State Emerg. Unemploy. Relief $3\%$ , 1941.....	52,000.00
100,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1941.....	103,000.00
75,000	N. Y. State Gen. State Improvement $2\frac{1}{4}\%$ , 1942.....	78,000.00
10,000	Porto Rico Workingmen's House Cons., Ser. "B" $4\frac{1}{2}\%$ , 1942/1940.....	10,000.00
5,000	Porto Rico Public Improvement, Ser. "A" $5\%$ , 1945/1944.....	5,600.00
10,000	Porto Rico Irrigation Loan of 1915, Ser. "F" $4\%$ , 1956.....	11,400.00
20,000	Dominion of Canada, $3\frac{1}{2}\%$ , 1949/1944.....	17,800.00
50,000	Province of Alberta, Canada, $4\%$ , 1957.....	25,000.00
50,000	Province of Manitoba, Canada, $4\%$ , 1957.....	36,500.00
20,000	City of Winnipeg, Dominion of Canada, Con. Deb. $5\%$ , 1943.....	18,156.00
<hr/> \$ 465,000		<hr/> \$ 432,456.00
MUNICIPAL BONDS		
\$ 35,000	Monroe County, N. Y. $2\%$ , 1940.....	\$ 35,000.00
50,000	City of Syracuse, N. Y. $2\%$ , 1940.....	50,000.00
50,000	City of Boston, Mass. $2\frac{1}{4}\%$ , 1940.....	50,000.00
10,000	City of Buffalo, N. Y. $2\frac{1}{2}\%$ , 1940.....	10,000.00
35,000	Albany County, N. Y. $2\%$ , 1941.....	35,700.00
35,000	Monroe County, N. Y. $2\%$ , 1941.....	35,700.00
25,000	Rockland County, N. Y. $1\frac{3}{4}\%$ , 1941.....	25,500.00
50,000	City of Syracuse, N. Y. $2\%$ , 1941.....	51,000.00
50,000	City of Albany, N. Y. $2\%$ , 1942.....	51,500.00
<hr/> \$ 340,000		<hr/> \$ 344,400.00



# AMERICAN SURETY COMPANY—Continued

PAR VALUE		DEPARTMENT VALUES
RAILROAD BONDS		
\$ 200,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	\$ 36,000.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., Ser. "D" 5%, 2000	14,500.00
50,000	Chicago, Rock Island & Pacific Ry. Co. 1st & Ref. Mtge. 4%, 1934..	3,000.00
250,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	5,000.00
480,000	Chicago & Northwestern Ry. Co. Conv. 4¾%, 1949.....	14,400.00
100,000	Delaware & Hudson R. R. Co. 1st Ref. 4%, 1943.....	62,000.00
40,000	Eric R. R. Co. Consolidated General Lien 4%, 1996.....	10,000.00
23,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	14,720.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977..	30,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990....	1,250.00
200,000	Southern Pacific Co. 4½%, 1969.....	96,000.00
50,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	30,500.00
16,000	Texarkana & Ft. Smith Ry. Co. 1st Mtge. Guar. Series "A" 5½%, 1950.....	14,080.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	9,500.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	5,000.00
\$1,771,500		\$ 345,950.00
PUBLIC UTILITY BONDS		
\$ 6,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1940.....	\$ 5,280.00
44,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1941.....	36,520.00
50,000	Hydro-Electric Power Comm. of Ontario, Gtd. by Prov. of Ontario, 3¼%, 1953.....	37,500.00
100,000	Western Union Telegraph Co. 5%, 1951.....	68,000.00
\$ 200,000		\$ 147,300.00
INDUSTRIAL BONDS		
\$ 25,000	Armour & Co. of Delaware 1st Mtge. Sink. Fund, Ser. "B" 4%, 1955.....	\$ 25,000.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	88,000.00
50,000	General Cable Corp. 1st Mtge. Sink. Fund, Ser. "A" 5½%, 1947..	50,500.00
\$ 175,000		\$ 163,500.00
RAILROAD STOCKS		
3,000 Shares	Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd. .	\$ 159,000.00
1,000 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	24,000.00
1,000 Shares	Baltimore & Ohio R. R. Co. \$4 Non-Cum. Pfd.....	7,000.00
500 Shares	Chesapeake & Ohio Ry. Co. 4% Pfd. Non-Cum.....	47,000.00
2,000 Shares	Delaware, Lackawanna & Western R. R. Co. Common.....	10,000.00
3,000 Shares	Eric R. R. Co. \$4 Non-Cum. First Pfd.....	9,000.00
3,300 Shares	New York Central R. R. Co. Common.....	59,400.00
1,000 Shares	N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.....	2,000.00
1,800 Shares	N. Y., N. H. & H. R. R. Co. Common.....	900.00
2,000 Shares	Northern Pacific Railway Co. Common.....	18,000.00
5,625 Shares	Pennsylvania R. R. Co. Common.....	129,375.00

# AMERICAN SURETY COMPANY—Continued

## RAILROAD STOCKS—Continued

		DEPARTMENT VALUES
2,100 Shares	Reading Co. Common.....	\$ 33,600.00
2,000 Shares	Southern Pacific Co. Common.....	30,000.00
4,000 Shares	Southern Railway Co. \$5 Non-Cum. Pfd.....	140,000.00
7,000 Shares	Southern Railway Co. Common.....	140,000.00
1,000 Shares	Texas & Pacific Railway Co. Common.....	12,000.00
500 Shares	Union Pacific R. R. Co. 4% Pfd. Non-Cum.....	43,500.00
		<hr/>
		\$ 864,775.00

## PUBLIC UTILITY STOCKS

1,000 Shares	American Pwr. & Lgt. Co. \$5 Cum. Pfd. Ser. "A" Unstamped..	\$ 48,000.00
300 Shares	American Telephone and Telegraph Co. Common.....	51,900.00
2,000 Shares	Brooklyn-Manhattan Transit Corp. \$6 Cum. Pfd. Ser. "A" C/D	98,000.00
1,700 Shares	Commonwealth Edison Co. Common.....	54,400.00
834 Shares	Commonwealth & Southern Corp. \$6 Cum. Pfd.....	59,214.00
1,000 Shares	Consolidated Edison Co. of N. Y. \$5 Cum. Pfd.....	109,000.00
2,000 Shares	Consolidated Edison Co. of N. Y. Common.....	62,000.00
300 Shares	Consolidated Gas, Electric Light & Power Co. of Baltimore Common.....	24,900.00
1,000 Shares	Consumers Power Co. \$4.50 Pfd. Cum.....	102,000.00
1,400 Shares	Engineers Public Service Co. \$5 Cum. Conv. Pfd.....	113,400.00
2,000 Shares	Hudson & Manhattan R. R. Co. Common.....	1,500.00
1,600 Shares	Pacific Gas & Electric Co. Common.....	54,400.00
1,300 Shares	Public Service Corporation of New Jersey Common.....	52,000.00
800 Shares	Southern California Edison Co., Ltd. Common.....	23,200.00
1,000 Shares	The United Corporation \$3 Cum. Pfce.....	39,000.00
1,000 Shares	The United Corporation Common.....	2,000.00
		<hr/>
		\$ 894,914.00

## BANK STOCKS

7,032 Shares	Chase National Bank of the City of New York.....	\$ 260,184.00
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## MISCELLANEOUS STOCKS

214 Shares	Allis-Chalmers Mfg. Co. Common.....	\$ 8,560.00
703 Shares	Amerex Holding Corp.....	13,357.00
1,000 Shares	American Home Products Corp. Common.....	60,000.00
500 Shares	American Ice Co. \$6 Non-Cum. Pfd.....	12,000.00
1,000 Shares	American Locomotive Co. \$7 Cum. Pfd.....	56,000.00
500 Shares	American Sugar Refining Co. \$7 Cum. Pfd.....	41,500.00
600 Shares	American Tobacco Co. "B".....	52,200.00
1,500 Shares	Bethlehem Steel 5% Cum. Pfd.....	27,000.00
800 Shares	Corn Products Refining Co. Common.....	52,800.00
1,000 Shares	First National Stores, Inc. Common.....	47,000.00
1,100 Shares	General Foods Corp. Common.....	52,800.00
1,700 Shares	(H. L.) Green Co., Inc. Common.....	56,100.00
1,900 Shares	National Biscuit Co. Common.....	43,700.00

# AMERICAN SURETY COMPANY—Continued

## MISCELLANEOUS STOCKS—Continued

		DEPARTMENT VALUES
3,000 Shares	Ohio Oil Corp. Common . . . . .	\$ 21,000.00
400 Shares	Philip Morris & Co., Ltd., Inc. Common . . . . .	36,400.00
2,000 Shares	Pullman, Inc. Common . . . . .	62,000.00
1,000 Shares	Reynolds Metals Co. $5\frac{1}{2}\%$ Pfd. . . . .	89,000.00
1,300 Shares	Reynolds (R. J.) Tobacco Co. Common . . . . .	52,000.00
24 Shares	Safeway Stores, Inc. $5\%$ Pfd. . . . .	2,520.00
1,200 Shares	Safeway Stores, Inc. Common . . . . .	56,400.00
600 Shares	Sterling Products, Inc. Common . . . . .	48,000.00
4,000 Shares	Socony Vacuum Oil Co., Inc. Common . . . . .	48,000.00
1,000 Shares	Texas Corp. Common . . . . .	45,000.00
2,500 Shares	United States Steel Corp. Common . . . . .	165,000.00
1,000 Shares	F. W. Woolworth Co. Common . . . . .	38,000.00

\$ 1,186,337.00

## STOCKS OF SUBSIDIARY COMPANIES

800 Shares	Amnyco Printing & Supply Corp. . . . .	}	\$ 190,000.00
3,000 Shares	Amsuco Securities Company . . . . .		
4,318 Shares	Canadian Surety Company . . . . .		
4,975 Shares	Compania Mexicana de Garantias, S. A. . . . .		
39,980 Shares	New York Casualty Company . . . . .		1,784,450.00

\$ 2,593,876.37

## PAR VALUE RECAPITULATION

\$3,768,500	U. S. Government Bonds . . . . .	\$ 3,907,700.00
465,000	State, U. S. Possessions and Canadian Bonds . . . . .	432,456.00
340,000	Municipal Bonds . . . . .	344,400.00
1,771,500	Railroad Bonds . . . . .	345,950.00
200,000	Public Utility Bonds . . . . .	147,300.00
175,000	Industrial Bonds . . . . .	163,500.00

\$6,720,000 Total of Bonds . . . . . \$ 5,341,306.00

Railroad Stocks . . . . .	\$ 864,775.00
Public Utility Stocks . . . . .	894,914.00
Bank Stocks . . . . .	260,184.00
Miscellaneous Stocks . . . . .	1,186,337.00
Stocks of Subsidiary Companies . . . . .	2,593,876.37

Total of Stocks . . . . . \$ 5,800,086.37

## GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK . . . . . \$11,141,392.37

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are stated at less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE		DEPARTMENT VALUES
MORTGAGE LOANS		
\$239,900.00	Various Mortgage Loans on Real Estate, N. Y., 1939.....	\$ 239,900.00
125,430.00	Various Mortgage Loans on Real Estate, N. Y., 1940.....	121,475.00
204,199.18	Various Mortgage Loans on Real Estate, N. Y., 1941.....	204,199.18
55,550.00	Various Mortgage Loans on Real Estate, N. Y., 1942.....	54,300.00
10,475.00	Various Mortgage Loans on Real Estate, N. Y., 1943.....	10,475.00
4,900.00	Various Mortgage Loans on Real Estate, N. Y., 1945.....	4,900.00
21,600.00	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1947.....	21,600.00
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\$662,054.18		\$ 656,849.18

## U. S. GOVERNMENT BONDS

\$ 55,000	U. S. of America Treasury Notes, Ser. "C" 1½%, 1940.....	\$ 56,100.00
50,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1941.....	51,500.00
172,000	U. S. of America Treasury Bonds, 3¼%, 1945/1943.....	189,200.00
10,000	U. S. of America Treasury Bonds, 3¼%, 1946/1944.....	11,000.00
65,000	U. S. of America Treasury Bonds, 2%, 1947.....	68,250.00
40,000	U. S. of America Treasury Bonds, 2%, 1950/1948.....	41,200.00
150,000	U. S. of America Treasury Bonds, 2¼%, 1953/1951.....	154,500.00
105,000	U. S. of America Treasury Bonds, 2½%, 1953/1949.....	111,300.00
10,000	U. S. of America Treasury Bonds, 3%, 1955/1951.....	11,000.00
10,000	U. S. of America Treasury Bonds, 2⅞%, 1960/1955.....	10,800.00
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\$667,000		\$ 704,850.00

## STATE BONDS

\$ 50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1940.....	\$ 50,000.00
25,000	N. Y. State Emerg. Construction 2¼%, 1940.....	25,000.00
50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1941.....	52,000.00
50,000	N. Y. State Gen. State Improvement 2¼%, 1941.....	51,500.00
75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	78,000.00
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\$250,000		\$ 256,500.00

## MUNICIPAL BONDS

\$ 30,000	City of Boston, Mass. 2¼%, 1940.....	\$ 30,000.00
50,000	City of Syracuse, N. Y. 2%, 1941.....	51,000.00
10,000	N. Y. City Harlem River Bridge Construction 3½%, 1941.....	10,400.00
10,000	N. Y. City High Schools & Sites Therefor 3½%, 1941.....	10,400.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,500.00
<hr/>		<hr/>
\$150,000		\$ 153,300.00



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS	DEPARTMENT VALUES
\$ 50,000	Ann Arbor R. R. Co. 1st Mtge. 4%, 1995.....	\$ 24,500.00
20,000	Atlantic & Danville Ry. Co. 1st Mtge. 4%, 1948.....	7,400.00
50,000	Baltimore & Ohio R. R. Secured Notes 4%, 1944.....	25,500.00
17,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge. Ser. "A" 4%, 1959.....	9,520.00
50,000	Boston & Maine R. R. Co. 1st Mtge. 5%, 1955.....	22,500.00
30,000	Central Pacific Railway Co. 5%, 1960.....	15,300.00
50,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	31,000.00
20,000	Ill. Cent. R. R. Co. & Chi., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	9,600.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938....	1,200.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	600.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	800.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	19,000.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013	12,200.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	32,000.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage, 4%, 1992.....	1,500.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	12,800.00
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	8,000.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	19,000.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946.....	9,500.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	9,000.00
<hr/> \$17,000		<hr/> \$ 270,920.00

## PUBLIC UTILITY BONDS

\$ 50,000	Brooklyn-Manhattan Transit Corp. Notes 3%, 1941.....	\$ 41,500.00
50,000	Standard Gas & Electric Co. of Delaware Deb. Series "A" 6%, 1951	33,500.00
50,000	Western Union Telegraph 5%, 1951.....	34,000.00
<hr/> \$150,000		<hr/> \$ 109,000.00

## RAILROAD STOCKS

500 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 12,000.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	3,600.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	10,000.00
500 Shares	Chicago & North Western Railway Co. Common.....	125.00
500 Shares	Chicago, Rock Island & Pacific Railway Co. \$7 Pfd. (Cum. to \$5)	310.00
500 Shares	Great Northern Railway Co. \$6 Non-Cum. Pfd.....	13,500.00

# NEW YORK CASUALTY COMPANY—Continued

## RAILROAD STOCKS—Continued

		DEPARTMENT VALUES
500 Shares	Illinois Central R. R. Co. Common.....	\$ 6,500.00
500 Shares	Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	2,000.00
500 Shares	Missouri Pacific R. R. Co. \$5 Cum. Conv. Pfd.....	375.00
650 Shares	New York Central R. R. Co. Common.....	11,700.00
500 Shares	N. Y., N. H. & H. R. R. Co. \$7 Cum. Conv. Pfd.....	1,000.00
500 Shares	Norfolk & Western Railway Co. Common.....	107,500.00
500 Shares	Northern Pacific Railway Co. Common.....	4,500.00
600 Shares	Pennsylvania R. R. Co. Common.....	13,800.00
445 Shares	St. Louis-San Francisco Railway Co. Common.....	111.25
500 Shares	Southern Pacific Co. Common.....	7,500.00
500 Shares	Southern Railway Co. Common.....	10,000.00
500 Shares	Union Pacific Railway Co. Common.....	48,000.00
		<hr/>
		\$ 252,521.25

## PUBLIC UTILITY STOCKS

100 Shares	American Telephone & Telegraph Co. Common.....	\$ 17,300.00
500 Shares	American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd. . .	48,000.00
500 Shares	Commonwealth Edison Co. Common.....	16,000.00
1,100 Shares	Consolidated Edison Co. of N. Y. Common.....	34,100.00
200 Shares	Electric Bond & Share Co. \$5 Cum. Pfd.....	12,000.00
200 Shares	Electric Power & Light Co. \$6 Cum. Pfd.....	5,400.00
500 Shares	Electric Power & Light Co. Common.....	3,500.00
500 Shares	Federal Light & Traction Co. \$6 Cum. Pfd.....	49,000.00
500 Shares	North American Co. \$3 Cum. Pfd.....	29,500.00
800 Shares	Pacific Gas & Electric Co. Common.....	27,200.00
700 Shares	Public Service Corp. of New Jersey Common.....	28,000.00
500 Shares	Standard Gas & Electric Co. \$4 Cum. Pfd.....	3,000.00
600 Shares	United Gas Improvement Co. Common.....	9,000.00
		<hr/>
		\$ 282,000.00

## BANK AND TRUST COMPANY STOCKS

70 Shares	Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 5,320.00
500 Shares	Chase National Bank of the City of New York.....	18,500.00
10 Shares	First National Bank of the City of New York.....	19,400.00
200 Shares	Girard Trust Co., Philadelphia, Pa.....	11,800.00
65 Shares	Guaranty Trust Co. of the City of New York.....	18,850.00
1,750 Shares	Manhattan Co., New York, N. Y.....	29,750.00
1,750 Shares	New York Title and Mortgage Corp.....	0.00
		<hr/>
		\$ 103,620.00

# NEW YORK CASUALTY COMPANY—Continued

MISCELLANEOUS STOCKS		DEPARTMENT VALUES
50 Shares	Amerex Holding Corp. ....	\$ 950.00
600 Shares	American Smelting & Refining Co. Common. ....	30,600.00
300 Shares	American Tobacco Co. (The) "B" Common. ....	26,100.00
500 Shares	Anaconda Copper Mining Co. Common. ....	15,000.00
400 Shares	Corn Products Refining Co. Common. ....	26,400.00
550 Shares	Eastman Kodak Co. Common. ....	92,950.00
500 Shares	First National Stores, Inc. Common. ....	23,500.00
1,000 Shares	General Foods Corp. Common. ....	48,000.00
700 Shares	(H. L.) Green Co., Inc. Common. ....	23,100.00
500 Shares	Kennecott Copper Co. Common. ....	18,500.00
53 Shares	Mission Corp. Common. ....	530.00
800 Shares	National Biscuit Co. Common. ....	18,400.00
200 Shares	Philip Morris & Co. Ltd. Inc. Common. ....	18,200.00
500 Shares	Pullman, Inc. Common. ....	15,500.00
12 Shares	Safeway Stores Inc. 5% Pfd. ....	1,260.00
600 Shares	Safeway Stores Inc. Common. ....	28,200.00
1,000 Shares	Socony-Vacuum Oil Co., Inc. Common. ....	12,000.00
1,040 Shares	Standard Oil Co. of N. J. Common. ....	45,760.00
300 Shares	Sterling Products, Inc. Common. ....	24,000.00
700 Shares	F. W. Woolworth Co. Common. ....	26,600.00

\$ 495,550.00

PAR VALUE	RECAPITULATION	
\$ 662,054.18	Mortgage Loans. ....	\$ 656,849.18
\$ 667,000.00	U. S. Government Bonds. ....	\$ 704,850.00
250,000.00	State Bonds. ....	256,500.00
150,000.00	Municipal Bonds. ....	153,300.00
717,000.00	Railroad Bonds. ....	270,920.00
150,000.00	Public Utility Bonds. ....	109,000.00
\$1,934,000.00	Total of Bonds. ....	\$1,494,570.00
	Railroad Stocks. ....	\$ 252,521.25
	Public Utility Stocks. ....	282,000.00
	Bank and Trust Company Stocks. ....	103,620.00
	Miscellaneous Stocks. ....	495,550.00
	Total of Stocks. ....	\$1,133,691.25

## GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS

OWNED BY NEW YORK CASUALTY COMPANY. .... \$3,285,110.43

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values established by the Insurance Department of the State of New York.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 39,000.00	Dominion of Canada 4½%, 1948/58.....	\$ 42,120.00
75,000.00	Dominion of Canada Conversion Loan 4½%, 1949/59.....	81,750.00
20,000.00	Dominion of Canada 3¼%, 1949.....	20,000.00
10,000.00	Dominion of Canada 3½%, 1949.....	10,100.00
20,000.00	Dominion of Canada 3¼%, 1948/51.....	20,000.00
191,000.00	Dominion of Canada 3%, 1953/58.....	183,360.00
45,000.00	Dominion of Canada 3¼%, 1956/66.....	44,100.00
5,000.00	Canadian National Railway guaranteed by Dominion of Canada, 4½%, 1956.....	5,650.00
26,000.00	Canadian National Railway guaranteed by Dominion of Canada, 4½%, 1957.....	29,380.00
15,000.00	Canadian National Railway guaranteed by Dominion of Canada, 3%, 1945/50.....	14,550.00
50,000.00	Canadian National Railway guaranteed by Dominion of Canada, 3%, 1954/59.....	47,500.00
15,000.00	Dominion of Canada fully subsidizing St. John Dry Dock and Ship- building Co. 3%, 1950 or earlier.....	14,400.00
10,000.00	St. John Dry Dock & Shipbuilding Co., Ltd. 3%, 1951 or earlier..	9,500.00
14,580.00	Grand Trunk Pacific Railway guaranteed by Dominion of Canada, 4%, 1962.....	15,454.80
5,000.00	Province of Alberta, 4½%, 1956.....	3,350.00
7,000.00	Province of British Columbia 4½%, 1948-50-52.....	7,150.00
3,000.00	Province of British Columbia 4½%, 1955.....	3,090.00
10,000.00	Province of New Brunswick 5%, 1959.....	11,100.00
10,000.00	Province of New Brunswick 3%, 1951.....	9,100.00
11,000.00	Province of New Brunswick 3¼%, 1945.....	10,890.00
5,000.00	Province of New Brunswick 4%, 1945/47.....	5,050.00
10,000.00	Province of Quebec 3¼%, 1949.....	9,700.00
15,000.00	Province of Quebec 3%, 1951.....	14,100.00
10,000.00	Province of Quebec 3¼%, 1954.....	9,600.00
10,000.00	Province of Nova Scotia 3½%, 1949.....	10,000.00
20,000.00	Province of Nova Scotia 3½%, 1950.....	19,800.00
5,000.00	Province of Nova Scotia 5%, 1960.....	5,800.00
10,000.00	Province of Nova Scotia 4½%, 1961.....	11,100.00
20,000.00	Province of Ontario 3¼%, 1947.....	20,000.00
26,000.00	Province of Ontario 5%, 1948.....	29,120.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	GOVERNMENT BONDS—Continued	DEPARTMENT VALUES
\$ 25,000.00	Province of Ontario 3%, 1949.....	\$ 24,250.00
10,000.00	Province of Ontario 3%, 1951.....	9,600.00
10,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Prov. of Ontario, 3%, 1946/48.....	9,800.00
25,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Prov. of Ontario, 4%, 1957.....	26,750.00
30,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Prov. of Ontario, 3¼%, 1950/53.....	29,700.00
10,000.00	T. & N. O. Railway Commission guaranteed by Prov. of Ontario, 4%, 1965.....	10,500.00
<hr/> \$822,580.00		<hr/> \$827,414.80

## MUNICIPAL BONDS

\$ 10,000.00	City of Belleville, Ont. 4½%, 1941.....	\$ 10,300.00
2,000.00	City of Brandon, Man. 5½%, 1939 (defaulted).....	1,300.00
1,000.00	City of Brandon, Man. 4½%, 1942.....	650.00
2,000.00	City of Brantford, Ont. 4½%, 1942.....	2,080.00
4,000.00	City of Brantford, Ont. 5%, 1944.....	4,280.00
5,000.00	City of Charlottetown, P. E. I. 3½%, 1952.....	4,800.00
2,000.00	City of Fort William, Ont. 4½%, 1952.....	2,100.00
4,000.00	City of Fort William, Ont. 4½%, 1957.....	4,240.00
5,000.00	City of Halifax, N. S. 5%, 1961.....	5,550.00
1,946.66	City of Hamilton, Ont. 4%, 1940.....	1,966.13
5,000.00	City of Hamilton, Ont. 5%, 1947.....	5,550.00
10,000.00	City of Hamilton, Ont. 3½%, 1954.....	9,900.00
10,000.00	City of Montreal, Que. 3½%, 1944.....	9,500.00
10,000.00	City of Montreal, Que. 4%, 1945.....	9,600.00
4,000.00	City of North Bay, Ont. 5%, 1940-41.....	4,060.00
4,000.00	City of North Bay, Ont. 5%, 1942-43.....	4,180.00
2,000.00	City of Oshawa, Ont. 5½%, 1946.....	2,180.00
6,000.00	City of Ottawa, Ont. 6%, 1940.....	6,120.00
3,000.00	City of Port Arthur, Ont. 5%, 1945.....	3,210.00
5,000.00	City of Regina, Sask. 5½%, 1942.....	4,300.00
1,500.00	City of Regina, Sask. 6½%, 1951.....	1,275.00
5,000.00	City of Saskatoon, Sask. 4½%, 1948.....	3,800.00
5,000.00	City of Saint John, N. B. 4½%, 1971.....	5,100.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 10,000.00	City and County of Saint John, N. B. 4½%, 1971.....	\$ 10,200.00
5,000.00	City of Sherbrooke, Que. 3½%, 1955.....	4,900.00
15,000.00	City of Sydney, N. S. 4½%, 1942.....	15,300.00
2,000.00	City of Three Rivers, Que. 5½%, 1947.....	2,100.00
5,500.00	City of Three Rivers, Que. 5½%, 1952.....	5,775.00
15,000.00	City of Toronto, Ont. 5%, 1945.....	16,800.00
15,000.00	City of Victoria, B. C. 5½% to 1941, 4½% thereafter, 1966.....	13,650.00
1,000.00	City of Victoria, B. C. 5½% to 1941, 4½% thereafter, 1966.....	910.00
1,000.00	City of Victoria, B. C. 5½% to 1941, 4½% thereafter, 1966.....	910.00
3,000.00	City of Winnipeg, Man. 4½%, 1950.....	3,000.00
1,703.33	City of Winnipeg, Man., Reg'd Stock 4½%, 1943/63.....	1,464.86
6,693.58	City of Windsor, Ont. 1½%, 1975.....	2,677.43
9,964.20	City of Windsor, Ont. 3¼%, 1975.....	6,676.01
4,000.00	Town of Carleton Place, Ont. 5½%, 1952.....	4,520.00
3,000.00	Town of Collingwood, Ont., gtd. by County of Simcoe, Ont. 5%, 1944.....	3,000.00
6,000.00	Town of Cornwall, Ont. 5%, 1943-44.....	6,450.00
4,000.00	Town of Cornwall, Ont. 5%, 1945.....	4,360.00
2,000.00	Town of Dundas, Ont. 5%, 1948.....	2,220.00
8,000.00	Town of Dundas, Ont. 5%, 1949.....	8,880.00
806.22	Town of Renfrew, Ont. 5%, 1940 to 1941.....	822.34
6,000.00	Town of Sorel, Que. 5%, 1952.....	4,800.00
5,000.00	Town of Smith's Falls, Ont. 5%, 1940.....	5,050.00
5,000.00	Town of Swift Current, Sask. Certificate of Indebtedness No. 172 3½%, 1937.....	1,250.00
1,517.83	Town of Watrous, Sask. 5½%, 1933 to 1956.....	683.02
185.84	Town of Watrous, Sask. Refunding Debentures 5½%, 1957-58.....	83.62
6,145.49	Town of Weston, Ont. 5% to 1947, 4½% thereafter, 1947/62.....	6,329.85
940.69	Village of Madoc, Ont. 5%, 1947.....	1,015.94
10,000.00	Township of Barton, Ont. 5%, 1944.....	10,500.00
7,000.00	Township of Colchester South, Ont. 5%, 1943-49.....	7,420.00
5,000.00	Township of East York, Ont. 5½%, 1947.....	4,750.00
2,000.00	Township of Esquimalt, B. C. 5%, 1963.....	1,940.00
7,000.00	Township of Richmond, B. C. 4½%, 1959.....	7,070.00
7,000.00	District of North Vancouver, B. C. 5%, 1960.....	2,100.00
5,000.00	Greater Winnipeg Water District 6%, 1940.....	5,050.00
4,000.00	County of Carleton, Ont. 6%, 1941-44.....	4,350.00
7,000.00	County of Lincoln, Ont. 5½%, 1942.....	7,490.00
\$304,903.84		\$290,539.20

## SCHOOL BONDS

\$ 6,000.00	City of Windsor, Ont. Public Schools 1½%, 1975.....	\$ 2,400.00
7,000.00	Protestant School, Montreal, Que. 4½%, 1943.....	7,000.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	SCHOOL BONDS—Continued	DEPARTMENT VALUES
\$ 6,000.00	North Bay, Ont. Separate Schools 6%, 1950-52.....	\$ 6,700.00
1,000.00	North Bay, Ont. Separate Schools 6%, 1953.....	1,120.00
10,346.29	St. Hyacinthe, Que. School, 4½%, 1953 to 60.....	10,967.07
5,000.00	Roman Catholic School, Toronto, 5%, 1945.....	5,300.00
\$ 35,346.29		\$ 33,487.07

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corporation 3¼%, 1940.....	\$ 10,000.00
20,000.00	Canada Permanent Mortgage Corporation 3¼%, 1941.....	20,000.00
10,000.00	Canada Permanent Mortgage Corporation 3½%, 1942.....	10,000.00
20,000.00	Huron & Erie Mortgage Corp., London, Ont. 3%, 1940.....	20,000.00
10,000.00	British Columbia Telephone Co., Ltd., 1st Mortgage Gold Bonds Series B 4½%, 1961.....	10,400.00
10,000.00	British Columbia Power Corp., Ltd. 4¼%, 1960.....	10,200.00
10,000.00	Canada Cement Co., Ltd., 1st Mortgage Sinking Fund, Series "A" 4¼%, 1951.....	10,300.00
5,000.00	Canada Northern Power Corp. 5%, 1953 or earlier.....	5,350.00
10,000.00	Canada Steamship Lines, 5%, 1957.....	9,300.00
5,000.00	Canadian International Paper Co., 1st Mortgage, 6%, 1949 or earlier.....	5,000.00
3,000.00	Consolidated Paper Corp., Ltd., 1st Mtge. Gold Bonds, 5½%, 1961.....	1,800.00
10,000.00	T. Eaton Realty Co., Ltd., 1st Mortgage Sinking Fund Series "A" 4%, 1951.....	10,300.00
10,000.00	Great Lakes Paper Co. 5%, 1955.....	9,300.00
5,000.00	Gatineau Power Company 3¾%, 1969.....	4,950.00
11,000.00	Hamilton Cotton Co., Ltd. 4¼%, 1950.....	11,110.00
5,000.00	Lake St. John Power & Paper Co., 1st Mortgage Sinking Fund, Series "A" 5½%, 1961 or earlier.....	4,550.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage Sinking Fund, 3% to 1943, 5½% thereafter, 1958.....	7,600.00
5,000.00	MacLaren-Quebec Power Co. 4%, 1959.....	4,900.00
20,000.00	Massey-Harris Co., Ltd. 4¼%, 1954.....	19,000.00
10,000.00	Montreal Light, Heat & Power Co. 3½%, 1963.....	9,700.00
5,000.00	McColl Frontenac Oil Co., Ltd. 4¼%, 1949.....	5,100.00
5,000.00	Nova Scotia Light & Power Co., 1st Mortgage, 4%, 1957 or earlier..	5,000.00
5,000.00	Ottawa Light, Heat & Power Co. 4%, 1957.....	5,100.00
5,000.00	Price Bros., Ltd. 5%, 1957.....	4,900.00
7,000.00	Saguenay Power Co., Ltd. "B" 4¼%, 1966.....	7,280.00
20,000.00	Simpson's, Ltd., 1st Mortgage and Collateral Trust, Series "A" 4¼%, 1951 or earlier.....	20,400.00
5,000.00	United Gas and Fuel Co. of Hamilton, Ltd., 1st Mortgage Sinking Fund, 5½%, 1948 or earlier.....	5,250.00
5,000.00	United Grain Growers, Ltd., 1st Mortgage Sinking Fund, Series "A", 5%, 1948 or earlier.....	4,900.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	DEPARTMENT VALUES
\$ 25,000.00	Shawinigan Water & Power Co. 4½%, 1938/70.....	\$ 26,250.00
20,000.00	Canadian Pacific Railway Convertible, 3½%, 1951.....	17,200.00
\$301,000.00		\$295,140.00

## STOCKS

100 Shares	International Milling Co. Cumulative Sinking Fund, 5%, First Preferred, par value \$100.00.....	\$10,800.00
50 Shares	Goodyear Tire & Rubber Co. of Canada, Ltd. Cumulative Redeemable Preferred, 5%, par value \$50.00.....	2,750.00
20 Shares	Maple Leaf Milling Co., "A" Preferred, no par value.....	180.00
25 Shares	Moore Corporation, Ltd., "A" Preferred, 7%, par value \$100.00.....	4,450.00
50 Shares	Southern Canada Power Co. 6%, par value \$100.00.....	5,400.00
200 Shares	Canadian Pacific Railway, Common, par value \$25.00.....	1,400.00
45 Shares	Consolidated Paper Corp., Ltd. (non assessable, no par value) Common.....	360.00
100 Shares	Bell Telephone Co. of Canada, Common, par value \$100.00.....	16,600.00
20 Shares	Dominion Bank, Common, par value \$100.00.....	4,140.00
20 Shares	Imperial Bank of Canada, Common, par value \$100.00.....	4,300.00
20 Shares	Bank of Toronto, Common, par value \$100.00.....	4,900.00
		\$55,280.00

PAR VALUE	DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT	DEPARTMENT VALUES
\$ 10,000.00	Canada Permanent Trust Co. Toronto, 3½%, 1944.....	\$10,000.00
5,000.00	Toronto General Trusts Corp. Toronto, 4%, 1940.....	5,000.00
10,000.00	Toronto General Trusts Corp., Toronto 3½%, 1944.....	10,000.00
5,000.00	Trusts and Guarantee Co., Toronto, 3¾%, 1944.....	5,000.00
\$ 30,000.00		\$30,000.00

## RECAPITULATION

\$ 822,580.00	Government Bonds.....	\$ 827,414.80
304,903.84	Municipal Bonds.....	290,539.20
35,346.29	School Bonds.....	33,487.07
301,000.00	Miscellaneous Bonds.....	295,140.00
\$1,463,830.13		\$1,446,581.07
	Stocks.....	55,280.00
	Deposits with Trust Companies for Investment.....	30,000.00

GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY COMPANY.....\$1,531,861.07

NOTE: Securities are stated at values established by the Insurance Department of the Dominion of Canada.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. 5½%, 1949.....	\$ 10,400.00
10,000	American Power & Light Company Deb. 6%, 2016.....	10,400.00
25,000	Baltimore & Ohio Secured Notes 4%, 1944.....	12,750.00
10,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	1,750.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975.....	1,375.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" 4¾%, 1949....	675.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	212.50
25,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	15,562.50
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	1,775.00
88,000	Mexican Federal Government Exterior 5%, 1945 Assented.....	743.45
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955....	10,587.50
10,000	Queensboro Gas & Electric Co. Conv. Deb. Series "A" 5½%, 1952....	9,625.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" 4½%, 1978 (Ctf. of Deposit).....	1,125.00
20,000	Southern Pacific Company 4½%, 1969.....	9,650.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	6,950.00
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	6,100.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" 5%, 1976.....	950.00
84,000	Mexican Federal Government Bonds de Caminos.....	7,865.00
P300,000	Mexican Federal Government Interior Consol. 3%, 1925.....	2,586.21
1,100	Mexican Federal Government Interior Debt 5%.....	9.48
106,800	United Shoe & Leather Company 5%, 1941.....	14,731.03

STOCKS

100 Shares	American Superpower 1st Preferred.....	7,337.50
84 Shares	Commonwealth & Southern Corporation Preferred.....	5,880.00
600 Shares	Lehigh Valley Coal Corporation Preferred.....	2,175.00
1 Share	Mexico City Country Club.....	862.07
200 Shares	Banco Nac. Hipotecario Urbano y de Obras Públicas.....	3,448.28

TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....\$145,525.52

NOTE: Securities are valued at actual market value as of December 31, 1939.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## BONDS

PAR VALUE	MARKET VALUE
\$50,000 New England Power Association Deb. 5%, 1948.....	\$ 49,125.00

## STOCKS

100 Shares	Engineers Public Service Co. 5% Convertible Preferred.....	\$ 7,925.00
1,000 Shares	International Paper & Power Co. 5% Cum. Convertible Preferred.	56,500.00
1,000 Shares	International Paper & Power Co. Common.....	14,000.00
600 Shares	Lehigh Valley Coal Corporation Preferred.....	2,250.00
9 Shares	Title Guaranty & Surety Company.....	90.00
200 Shares	United Corporation Common.....	475.00

\$130,365.00

NOTE: Securities are valued at actual market value as of December 31, 1939.

# BRANCH OFFICES

## BY STATES

<i>State</i>	<i>Address</i>	<i>Manager</i>
ALABAMA	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.	A. O. Davis
ARIZONA	510 So. Spring Street, Los Angeles, Calif.	A. I. Zimmerman
ARKANSAS	14 South Main Street, Memphis, Tenn.	H. F. Sharman
CALIFORNIA		
Northern	340 Pine Street, San Francisco, Calif.	R. D. Weldon
Southern	510 So. Spring Street, Los Angeles, Calif.	A. I. Zimmerman
COLORADO	17th & Welton Streets, Denver, Colo.	D. L. Clark
CONNECTICUT	410 Asylum Street, Hartford, Conn.	G. E. Schreck
DELAWARE	Broad & Chestnut Streets, Philadelphia, Pa.	W. G. Keating
DISTRICT OF COLUMBIA	15th & H Streets, N. W., Washington, D. C.	L. Bert Nye
FLORIDA	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.	A. O. Davis
GEORGIA	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.	A. O. Davis
IDAHO	N. E. cor. Main & Second South Sts., Salt Lake City, Utah	W. D. Habish
ILLINOIS		
Northern	175 W. Jackson Boulevard, Chicago, Ill.	J. L. Machle
Southern	506 Olive Street, St. Louis, Mo.	O. L. Kincheloe
INDIANA		
N. W. portion	175 W. Jackson Boulevard, Chicago, Ill.	J. L. Machle
Except N. W.	108 No. Pennsylvania Street, Indianapolis, Ind.	T. W. King
IOWA	S. W. cor. W. 6th & Locust Streets, Des Moines, Iowa	F. H. Noble
Council Bluffs	16th & Farnam Streets, Omaha, Nebr.	J. D. Frazee
KANSAS	S. W. 10th & Walnut Streets, Kansas City, Mo.	W. R. Evans
KENTUCKY		
12 northern counties	Fourth & Walnut Streets, Cincinnati, Ohio	E. H. Schier
Southern	136 So. Fourth Street, Louisville, Ky.	L. Y. Johnson
LOUISIANA	Gravier & St. Charles Streets, New Orleans, La.	L. P. McGee
MAINE	10 Post Office Square, Boston, Mass.	F. B. Hammond
MARYLAND		
Eastern	Broad & Chestnut Streets, Philadelphia, Pa.	W. G. Keating
Western	15th & H Streets, N. W., Washington, D. C.	L. Bert Nye
MASSACHUSETTS	10 Post Office Square, Boston, Mass.	F. B. Hammond
MICHIGAN		
12 counties in northern peninsula	324 E. Wisconsin Avenue, Milwaukee, Wis.	G. H. Hummert
Southern	Woodward Ave. & Cadillac Square, Detroit, Mich.	L. C. Minor
MINNESOTA	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.	W. M. Creer
MISSISSIPPI		
Northern	14 So. Main Street, Memphis, Tenn.	H. F. Sharman
Southern	Gravier & St. Charles Streets, New Orleans, La.	L. P. McGee
MISSOURI		
Eastern	506 Olive Street, St. Louis, Mo.	O. L. Kincheloe
Western	S. W. 10th & Walnut Streets, Kansas City, Mo.	W. R. Evans
MONTANA	N. E. cor. Main & Second South Sts., Salt Lake City, Utah	W. D. Habish
NEBRASKA	16th & Farnam Streets, Omaha, Nebr.	J. D. Frazee

# BRANCH OFFICES—Continued

<i>State</i>	<i>Address</i>	<i>Manager</i>
NEVADA.....	340 Pine Street, San Francisco, Calif.....	R. D. Weldon
2 counties in central portion.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
NEW HAMPSHIRE.....	10 Post Office Square, Boston, Mass.....	F. B. Hammond
NEW JERSEY		
Northern.....	744 Broad Street, Newark, N. J.....	H. N. Hutchinson
Bergen and Hudson Counties.....	921 Bergen Avenue, Jersey City, N. J.....	A. Schneider
Southern.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
NEW MEXICO.....	17th & Welton Streets, Denver, Colo.....	D. L. Clark
NEW YORK		
Metropolitan District.....	100 William Street, New York, N. Y.....	M. L. Jenks
Long Island.....	185 Montague Street, Brooklyn, N. Y.....	E. D. Sadler
Eastern.....	100 State Street, Albany, N. Y.....	E. A. Mooney
Central.....	310 Onondaga County Savings Bank Bldg., Syracuse, N. Y.....	A. B. Fuller
Monroe County.....	19 Main Street, West, Rochester, N. Y.....	J. W. Wood
Western.....	422 Main Street, Buffalo, N. Y.....	H. L. Hart
NORTH CAROLINA.....	15th & H Streets, N. W., Washington, D. C.....	L. Bert Nye
NORTH DAKOTA.....	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.....	W. M. Creer
OHIO		
Northeastern.....	1621 Euclid Avenue, Cleveland, Ohio.....	G. A. Hurlbutt
Northwestern.....	Summit Street & Madison Avenue, Toledo, Ohio.....	E. S. Maxson
Southern.....	Fourth & Walnut Streets, Cincinnati, Ohio.....	E. H. Schier
Middle.....	17 So. High Street, Columbus, Ohio.....	C. W. McNeil
OKLAHOMA.....	Main at Robinson Street, Oklahoma City, Okla.....	H. J. Roleke
OREGON.....	522 S. W. Fifth Avenue, Portland, Ore.....	W. J. Lyons
PENNSYLVANIA		
Eastern.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
Western.....	310 Grant Street, Pittsburgh, Pa.....	A. A. Rohrich
Northeastern.....	321 Spruce Street, Scranton, Pa.....	P. J. MacDonough
RHODE ISLAND.....	15 Westminster Street, Providence, R. I.....	R. Buss
SOUTH CAROLINA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
SOUTH DAKOTA.....	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.....	W. M. Creer
TENNESSEE		
Eastern and Middle.....	136 So. Fourth Street, Louisville, Ky.....	L. Y. Johnson
Western.....	14 So. Main Street, Memphis, Tenn.....	H. F. Sharman
TEXAS.....	1200 Commerce Street, Dallas, Texas.....	E. A. Teague
UTAH.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
VERMONT.....	10 Post Office Square, Boston, Mass.....	F. B. Hammond
VIRGINIA.....	15th & H Streets, N. W., Washington, D. C.....	L. Bert Nye
WASHINGTON.....	705 Second Avenue, Seattle, Wash.....	S. H. Melrose
WEST VIRGINIA		
Southern and Middle.....	Fourth & Walnut Streets, Cincinnati, Ohio.....	E. H. Schier
Northwestern.....	310 Grant Street, Pittsburgh, Pa.....	A. A. Rohrich
Northeastern.....	15th & H Streets, N. W., Washington, D. C.....	L. Bert Nye
WISCONSIN.....	324 E. Wisconsin Avenue, Milwaukee, Wis.....	G. H. Hummert
WYOMING.....	17th & Welton Streets, Denver, Colo.....	D. L. Clark



AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following classes of Bonds*

FIDELITY

DISCOVERY

(Full line schedule protection)

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FORGERY

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BROKERS' BLANKET

BUILDING AND LOAN BLANKET

SAVINGS AND LOAN BLANKET

RAILROAD BLANKET

COMMERCIAL BLANKET

BLANKET POSITION

SECURITIES BLANKET

GUARDIAN

ADMINISTRATORS

EXECUTORS

RECEIVERS AND TRUSTEES

OTHER FIDUCIARY AND PROBATE

COURT OR JUDICIAL

CONTRACT BID

CONTRACT PERFORMANCE

LICENSE, FRANCHISE AND PERMIT

CUSTOMS AND INTERNAL REVENUE

LOST SECURITY

MISCELLANEOUS SURETY

AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines of Casualty Insurance*

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(Not written by New York Casualty Company)

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INTERIOR ROBBERY

MESSENGER AND PAYMASTER ROBBERY

RESIDENCE BURGLARY, ROBBERY, THEFT AND LARCENY

SAFE DEPOSIT BOX BURGLARY AND ROBBERY

STOREKEEPERS' AND OFFICE BURGLARY AND ROBBERY

PLATE GLASS

PUBLIC LIABILITY AND PROPERTY DAMAGE

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ELEVATOR

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EMPLOYERS' LIABILITY

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REPORT OF THE PRESIDENT  
*for* 1940









REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK

100 BROADWAY • NEW YORK, N. Y.



FOR THE YEAR ENDED

DECEMBER 31, 1940

AMERICAN SURETY COMPANY  
OF NEW YORK

BOARD OF TRUSTEES

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NEWCOMB CARLTON  
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HENRY O. HAVEMEYER  
F. COIT JOHNSON  
JOHN L. KEMMERER  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
JAMES T. LEE  
JEREMIAH T. MAHONEY

W. E. MCKELL  
JEREMIAH MILBANK  
JOHN M. MILLER, JR.  
LEWIS H. PARRY  
HARPER SIBLEY  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
JOHN SLOANE  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
ALBERT H. WIGGIN  
BRONSON WINTHROP

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*President*

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*First Vice-President*

*Vice-Presidents*

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H. P. DUNHAM  
R. B. HAMILTON  
M. L. JENKS

W. E. MCKELL  
L. S. MOORE  
G. L. NAUGHT  
F. J. PARRY  
LEWIS H. PARRY

E. F. WATSON

C. H. HALL  
*Secretary*

WILLIAM GOETZ  
*Treasurer*

A. A. NELSON  
*Comptroller*

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CARY D. WATERS  
FREDERIC T. WOOD

### OFFICERS

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*Treasurer*

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*First Vice-President*  
A. A. NELSON  
*Comptroller*

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## CANADIAN SURETY COMPANY

### BOARD OF DIRECTORS

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M. L. BRADSHAW  
D. H. COOK

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F. GORDON OSLER  
F. J. PARRY

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*Chairman of the Board*

A. F. LAFRENTZ  
*President*

JOHN B. ALEXANDER  
*Vice-Pres. & Gen. Mgr.*

GEORGE F. GREGORY  
*Secretary*

E. C. TYRRELL  
*Treasurer*

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## CIA. MEXICANA DE GARANTIAS, S. A.

### BOARD OF DIRECTORS

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LIC. FLAVIO GONZÁLEZ

F. W. LAFRENTZ  
A. F. LAFRENTZ  
W. M. TOMLINS, JR.

JOSÉ MARÍA RAZ  
A. R. DOBSON

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*President*

LIC. FLAVIO GONZÁLEZ  
*Vice-President*

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*Accountant*

ENRIQUE ESNAURIZAR  
*Treasurer*



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

## ADMITTED ASSETS

	1940	1939	Increase	Decrease
Real Estate.....	\$ 8,235,000.00	\$ 8,235,000.00		
*Bonds.....	4,271,073.36	5,422,584.85		\$1,151,511.49
*Stocks.....	6,561,467.37	5,800,086.37	\$761,381.00	
Premiums in Course of Col- lection (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due).....	1,815,411.23	1,676,818.48	138,592.75	
Cash in Banks and Offices....	5,919,935.27	5,276,618.50	643,316.77	
Reinsurance and Other Accounts Receivable.....	270,354.88	194,693.60	75,661.28	
Interest and Rents Due and Accrued.....	34,089.88	23,446.36	10,643.52	
	<u>\$27,107,331.99</u>	<u>\$26,629,248.16</u>	<u>\$478,083.83</u>	

## LIABILITIES

Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits	5,901,923.22	5,837,363.13	\$ 64,560.09	
Reserve for Unearned Premiums.....	6,358,547.10	6,192,656.33	165,890.77	
Reserve for Reported Losses..	3,949,554.15	3,612,029.98	337,524.17	
Reserve for Unreported Losses:				
Allocated to Specific Lines..	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York.	104,401.32	135,248.16		\$ 30,846.84
Unallocated (Voluntary)...	370,924.10	301,982.36	68,941.74	
Reserve for Expenses, Taxes and other Liabilities.....	1,106,982.10	1,253,689.35		146,707.25
Reserve for Depreciation— H. O. Building.....	335,000.00	235,000.00	100,000.00	
Dividend Payable— January 2, 1941.....	375,000.00	375,000.00		
**Contingency Reserve.....		81,278.85		81,278.85
	<u>\$27,107,331.99</u>	<u>\$26,629,248.16</u>	<u>\$478,083.83</u>	

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are carried at less than their book value. The market value of amortizable bonds is \$26,696.64 greater than their amortized value.

\*\*Contingency reserve is set up as a liability to adjust amortized values to market values.

January 21, 1941.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1940 (in the fifty-seventh year of its operation), are given below:

		Comparison with Preceding Year
<b>INCOME:</b>		
From Premiums Written.....	\$13,390,628.75	(Increase \$664,518.55)
Less Reinsurance Ceded.....	2,849,382.72	(Increase 150,585.94)
Net Premiums Written.....	10,541,246.03	(Increase 513,932.61)
Increase in Unearned Premium Reserve.....	165,890.77	(Decrease 160,647.91)
Earned Premiums.....	10,375,355.26	(Increase 674,580.52)
From Home Office Building— Rents Less Operating Cost.....	356,671.29	(Decrease 69,756.21)
From Securities—Interest and Dividends.....	439,791.36	(Increase 125,926.08)
<b>TOTAL INCOME.....</b>	<b>\$11,171,817.91</b>	<b>(Increase 730,750.39)</b>
<b>OUTGO:</b>		
For Operating Expenses Paid.....	\$ 3,684,963.62	(Increase 86,397.98)
For Claim Expenses Paid.....	638,417.65	(Increase 13,338.60)
For Investment Expenses.....	44,123.09	(Increase 6,739.73)
For Commissions Paid.....	1,722,823.61	(Decrease 10,498.68)
For Taxes Paid.....	669,916.85	(Decrease 21,364.24)
For Losses Incurred.....	\$3,698,212.28	(Increase 499,511.36)
Less Cash Salvage.....	762,591.60	(Decrease 132,803.47)
Net Losses Incurred.....	2,935,620.68	(Increase 632,314.83)
<b>TOTAL OUTGO.....</b>	<b>\$ 9,695,865.50</b>	<b>(Increase 706,928.22)</b>
<b>EXCESS OF INCOME OVER OUTGO.....</b>		<b>\$1,475,952.41</b>
(Increase of \$23,822.17)		
<b>Add—Decrease in:</b>		
Reserve for Overdue Premiums.....	\$ 112.44	
Reserve for Expenses and Taxes.....	144,497.20	\$ 144,609.64
<b>Less—Increase in:</b>		
Reserve for Depreciation of Building	100,000.00	
Agents' Balances Charged Off—Net	4,825.94	104,825.94
		39,783.70
<b>Investment Income and Underwriting Profit Less Reserves.....</b>		<b>\$1,515,736.11</b>

[ page three ]

Brought Forward.....			\$1,515,736.11
Deduct:			
Loss from Sale of Securities.....	\$1,527,982.98		
Less Depreciation taken prior to January 1, 1940, on same.....	1,522,562.36	\$ 5,420.62	
Depreciation of Unsold Securities.....	655,201.96		
Loss from Foreign Exchange.....	2,458.54		
Transferred to Special Reserves.....	38,094.90		701,176.02
			<hr/>
Dividends Declared.....			814,560.09
			750,000.00
			<hr/>
Added to Surplus.....			64,560.09
Surplus January 1, 1940.....			5,837,363.13
			<hr/>
Surplus December 31, 1940.....			\$5,901,923.22
			<hr/>

The operations for the year 1940 may be briefly summarized as follows:

Earned Premiums.....	\$10,375,355.26		
Investment Income Earned (Net after depreciation of Home Office Building).....	652,339.56		
			<hr/>
Total Income.....			\$11,027,694.82
Operating Expenses, Salaries, Commissions and Taxes Incurred.....	5,631,155.39		
Losses and Loss Expense Incurred.....	3,876,089.82		
Agents' Balances Written Off and Other Charges.....	4,713.50		
			<hr/>
Total.....			9,511,958.71
			<hr/>
Underwriting Profit and Investment Income.....			1,515,736.11
Loss from Sale of Securities.....	\$1,527,982.98		
Less Depreciation Taken Prior to January 1, 1940.....	1,522,562.36	\$ 5,420.62	
			<hr/>
Depreciation Value of Securities Unsold.....	655,201.96		
Loss from Foreign Exchange.....	2,458.54		
Transfer to Special Reserve.....	38,094.90		
Dividends Paid and Declared.....	750,000.00		
			<hr/>
Total.....			1,451,176.02
			<hr/>
Balance Added to Undivided Profits.....		\$ 64,560.09	
			<hr/>

Net Premium Writings were the largest in the history of the Company, \$10,541,246.03, a gain over the preceding year of \$513,932.61 or 5%. Notwithstanding a number of rate reductions which became effective during the year all lines except Fidelity, Plate Glass and



Burglary Insurance registered increases in net writings. An increase in Workmen's Compensation and Miscellaneous Liability premiums on a large housing project accounts for a substantial portion of the gain in those lines. This project which has been under way since 1938 will be completed during the ensuing year. This risk has returned to the Company premiums aggregating \$1,400,000.00 over the past three years.

Investment Income, i. e. Net Rents, Interest and Dividends Received, totaled \$796,462.65. This is an increase of \$56,169.87—Interest and Dividends advanced \$125,926.08 and Net Rents declined \$69,756.21.

Operating Expenses, Salaries, Commissions and Taxes Paid totaled \$6,121,827.17. Salaries and Expenses Paid increased \$93,137.71 whereas Commissions and Taxes Paid decreased \$10,498.68 and \$21,364.24 respectively.

Net Losses Incurred and Loss Expenses Paid amounted to \$3,574,038.33 which was \$645,653.43 greater than reported for 1939. This was occasioned by increased losses in Fidelity lines of approximately \$75,000.00, Surety lines of approximately \$330,000.00 of which \$135,000.00 represented a decrease in salvage collections and in Liability and Compensation lines of approximately \$350,000.00.

During the year certain securities were sold, thereby establishing a deductible loss for Federal Income Tax purposes. The loss based on actual cost was \$1,527,982.98. However, prior to January 1, 1940, these securities had been depreciated to the extent of \$1,522,562.36.

Listed securities held December 31, 1940, were valued at Insurance Department values and stocks of subsidiary companies at cost. This resulted in a deduction from surplus for depreciation of \$655,201.96.

Two semi-annual dividends of \$1.25 per share were declared during the year, \$375,000.00 payable July 1, 1940, and \$375,000.00 payable January 2, 1941, a total of \$750,000.00.

The Investment Income and Underwriting Profit of the four subsidiary companies were as follows:

New York Casualty Company.....	\$327,173.25
Compania Mexicana de Garantias, S. A.....	90,940.15
Canadian Surety Company.....	94,251.37
Amsuco Securities Company.....	10,221.41
Total.....	\$522,586.18

Therefore, the Consolidated Earnings of American Surety Company and its subsidiary companies for the year 1940 were:

Investment Income, excluding inter-company dividends.....	\$ 803,297.54
Underwriting Profit.....	1,146,125.78
Total Consolidated Net Earnings.....	1,949,423.32
Net earnings applicable to stockholders of subsidiary companies..	13,002.75

Net earnings applicable to stockholders of the American Surety Company.....	\$1,936,420.57
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(Net earnings of Compania Mexicana de Garantias, S. A. converted at the rate of 4.90 Mexican Pesos to one United States Dollar—Net Earnings of Canadian Surety Company converted to United States Dollars at par.)



As of December 31, 1940, Total Admitted Assets amounted to \$27,107,331.99. This is an increase over December 31, 1939, of \$478,083.83.

Unencumbered Real Estate, consisting of a twenty-three story office building located at 100 Broadway, New York City, was stated at the appraised value established by the Insurance Department April 7, 1939. This property is assessed at \$7,750,000.00. Including the space occupied by the Company the building at the present time is 93 $\frac{1}{2}$ % rented. Deducting the reserve for depreciation of \$335,000.00 the property is carried at a net value of \$7,900,000.00.

Bonds and stocks owned as of December 31, 1940, which are listed in detail in this report, were valued in the following manner:—Amortizable bonds at amortized values (which was \$26,696.64 less than market value), other listed bonds and stocks at market value as established by the Insurance Department of the State of New York and stocks of subsidiary companies at cost (which was \$1,308,261.34 less than their aggregate book value). Based on these valuations the aggregate value of the securities was \$10,832,540.73.

Premiums in Course of Collection totaled \$2,178,780.82 at the close of the year. All accounts considered uncollectible were written off. Premiums due more than ninety days prior to December 31, 1940, and not collected on or before that date amounting to \$141,844.79 have been reserved. This item, together with \$221,524.80 due to reinsurers, has been deducted from the Premiums in Course of Collection in accordance with the Insurance Department's requirements.

Cash in Banks and Offices totaled \$5,919,935.27. As compared with December 31, 1939, this is an increase of \$643,316.77.

It is interesting to note that Cash and Short-Term U. S. Government Bond holdings equalled 33 $\frac{1}{8}$ % of the Total Admitted Assets as of December 31, 1940.

The year-end Reserve for Unearned Premiums stood at \$6,358,547.10. Due to the increase in writings there was added to this reserve during the year \$165,890.77.

Reserve for Reported Losses of \$3,949,554.15 was deemed sufficient to discharge the Company's liability for all unsettled claims of which it had knowledge. In addition thereto, Reserve for Unreported Losses was provided in the amount of \$1,580,325.42 of which \$1,105,000.00 was allocated to specific lines, \$104,401.32 to losses due from companies not authorized in the State of New York, leaving \$370,924.10 not specifically allocated.

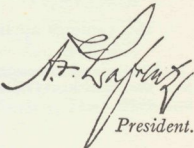
Provision was made for accrued Expenses, Taxes and other Liabilities amounting to \$1,106,982.10. The decrease as compared with December 31, 1939, was principally due to the reduction in Federal Income Liability resulting from the sale during the year of securities held more than eighteen months.

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Our entire staff, both at home and abroad, and the members of our Agency force, are to be commended for their loyalty and devotion to the Company's interests for which I wish to record my appreciation.

To the members of this Board and its various Committees, I am sincerely grateful for their assistance and wise counsel.

Respectfully submitted,

  
President.

## GENERAL INFORMATION

There were presented to us during 1940:

		Comparison with Preceding Year
Fidelity Claims . . . . .	1,010	Increase of 221
Blanket Bond Claims . . . . .	2,337	Decrease of 58
Official Claims . . . . .	305	Decrease of 42
Surety Claims . . . . .	442	Increase of 18
Burglary Claims . . . . .	477	Increase of 20
Forgery Claims . . . . .	243	Decrease of 11
Plate Glass Claims . . . . .	1,611	Increase of 188
Auto Liability Claims . . . . .	1,984	Increase of 111
Auto Property Damage Claims . . . . .	6,944	Increase of 745
Auto Collision Claims . . . . .	36	Decrease of 6
Miscellaneous Liability Claims . . . . .	2,185	Decrease of 196
Miscellaneous Property Damage & Collision Claims . . . . .	399	Increase of 111
Workmen's Compensation Claims . . . . .	11,907	Increase of 2,223
Total . . . . .	29,880	Increase of 3,324

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{ Year 1940 . . . 18.57 Entire Period . . . 28.15
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{ Year 1940 . . . 10.72 Entire Period . . . 31.39
Plate Glass Claims Paid to Net Premiums . . . . .	{ Year 1940 . . . 39.59 Entire Period . . . 35.16
Other Casualty Claims Paid to Net Premiums . . . . .	{ Year 1940 . . . 36.85 Entire Period . . . 37.29

The Company has an agency organization consisting of 40 Branch and Service Offices on a salary basis, and 10,065 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a

Net Premium Income of . . . . .	\$252,828,335.38
Its Net Paid Losses were . . . . .	73,807,538.06
And Its Expenses were . . . . .	156,073,465.30
Leaving an excess from underwriting, subject to Reserves, of . . . . .	22,947,332.02
Which is equivalent to 9.07% of the Net Premium Income.	
Income from Investments . . . . .	26,466,752.53
Our Stockholders have received in Cash Dividends . . . . .	25,887,350.50

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1940

ADMITTED ASSETS

Real Estate.....			\$ 8,343,572.88
†Bonds, Stocks and Debentures.....			12,871,964.66
Premiums and Agents' Balances in Course of Collection.....	\$3,098,197.08		
Less Reinsurance Payable.....	283,674.80	\$2,814,522.28	
Less Premiums and Agents' Balances more than Ninety Days due.....		217,232.23	2,597,290.05
Cash.....			7,882,411.94
Real Estate Mortgage and other Secured Loans.....			802,957.70
Reinsurance and other Accounts Receivable.....			361,333.45
Interest and Rents Due and Accrued.....			64,546.05

\$32,924,076.73

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share).....		\$ 7,500,000.00
Surplus and Undivided Profits.....		7,198,297.51
Legal Fund Provision—Mexico.....		34,013.60
Minority Interest in Subsidiary Companies.....		143,376.67
Reserve for Unearned Premiums.....		8,387,382.56
Reserve for Reported Losses.....		5,283,205.58
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$1,500,000.00	
Allocated to Losses due from Companies not authorized in the State of New York.....	104,401.32	
Unallocated (Voluntary).....	396,549.60	2,000,950.92
Reserve for Expenses, Taxes and Other Liabilities.....		1,519,797.03
Reserve for Depreciation—Home Office Building.....		335,000.00
Dividend Payable—January 2, 1941.....		375,000.00
*Contingency Reserve.....		15,065.57
**Reserve for Fluctuation of Canadian Exchange.....		131,987.29

\$32,924,076.73

\*Adjusts the Insurance Department value of Canadian securities to actual cost.

\*\*Adjusts the value of Net Assets in the Dominion of Canada to the Current Rate of Exchange.

†Securities carried at \$1,971,830.54 in the above statement and cash amounting to \$49,489.80 are deposited for purposes required by law.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1940

## ADMITTED ASSETS

Real Estate . . . . .			\$ 8,235,000.00
Home Office Premises Unencumbered (Appraised by New York Insurance Department April 7, 1939.)			
*Securities:			
Bonds . . . . .	\$4,271,073.36		
Preferred Stocks . . . . .	1,017,856.00		
Common Stocks . . . . .	5,543,611.37	10,832,540.73	
Premiums in Course of Collection . . . . .	\$2,178,780.82		
Less Reinsurance Payable . . . . .	221,524.80	1,957,256.02	
Less Premiums more than Ninety Days due . . . . .		141,844.79	1,815,411.23
Cash in Banks and Offices . . . . .			5,919,935.27
Reinsurance and other Accounts Receivable . . . . .			270,354.88
Interest and Rents Due and Accrued . . . . .			34,089.88
			<u>\$27,107,331.99</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .			\$ 7,500,000.00
Surplus and Undivided Profits . . . . .			5,901,923.22
Reserve for Unearned Premiums . . . . .			6,358,547.10
Reserve for Reported Losses . . . . .			3,949,554.15
Reserve for Unreported Losses:			
Allocated to Specific Lines . . . . .	\$1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York . . . . .	104,401.32		
Unallocated (Voluntary) . . . . .	370,924.10	1,580,325.42	
Reserve for Expenses, Taxes and Other Liabilities . . . . .			1,106,982.10
Reserve for Depreciation—Home Office Building . . . . .			335,000.00
Dividend Payable—January 2, 1941 . . . . .			375,000.00
			<u>\$27,107,331.99</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of Subsidiary Companies which are carried at less than their book value. The market value of amortizable bonds is \$26,696.64 greater than their amortized value.  
Securities carried at \$1,044,008.05 in the above statement are deposited for purposes required by law.



The revenue accounts of the NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$3,326,140.61	(Increase \$ 33,502.47)
Less Reinsurance Ceded.....	479,446.51	(Decrease 60,259.28)
Net Premiums Written.....	2,846,694.10	(Increase 93,761.75)
Increase in Unearned Premium Reserve.....	29,782.86	(Decrease 39,787.24)
Earned Premiums.....	2,816,911.24	(Increase 133,548.99)
From Rents, Less Operating Costs (Loss).....	1,057.33	(Decrease 61.70)
From Securities—Interest and Dividends.....	157,634.69	(Increase 31,568.17)
TOTAL INCOME.....	<u>\$2,973,488.60</u>	(Increase 165,055.46)
OUTGO:		
For Operating Expenses Paid.....	\$ 564,521.68	(Increase 32,656.73)
For Claim Expenses Paid.....	237,207.56	(Increase 13,004.31)
For Investment Expenses.....	9,850.44	(Increase 2,445.56)
For Commissions Paid.....	614,841.92	(Increase 463.30)
For Taxes Paid.....	139,136.46	(Decrease 15,451.73)
For Losses Incurred.....	\$1,183,276.04	(Increase 152,186.84)
Less Cash Salvage.....	101,918.22	(Decrease 2,337.32)
Net Losses Incurred.....	1,081,357.82	(Increase 154,524.16)
TOTAL OUTGO.....	<u>\$2,646,915.88</u>	(Increase 187,642.33)
EXCESS OF INCOME OVER OUTGO.....		\$326,572.72
(Decrease of \$22,586.87)		
DECREASE IN:		
Reserve for Expenses and Taxes.....	\$ 25,541.60	
LESS INCREASE IN:		
Reserve for Overdue Premiums.....	\$ 4,257.12	
Additional Statutory Loss Reserve....	20,000.00	
	<u>24,257.12</u>	
Agents' Balances Charged Off.....	683.95	24,941.07
Investment Income and Underwriting Profit Less Reserves.....		327,173.25
Add:		
Depreciation Taken Prior to January 1, 1940, on Securities Sold During the Year.....	379,711.68	
Less Loss on Sale of these Securities.....	<u>377,420.39</u>	2,291.29
		329,464.54
Deduct:		
Depreciation of Investments Unsold.....	224,027.64	
Transfer to Special Reserve.....	<u>5,131.71</u>	229,159.35
Added to Surplus.....		100,305.19
Surplus January 1, 1940.....		<u>1,250,458.67</u>
Surplus December 31, 1940.....		<u>\$1,350,763.86</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1940

## ADMITTED ASSETS

Real Estate.....		\$	40,000.00
Mortgage Loans on Real Estate.....			626,726.94
*Securities:			
Bonds.....	\$1,377,977.81		
Stocks.....	1,329,187.00		2,707,164.81
Premiums in Course of Collection.....	\$804,445.80		
Less Reinsurance Payable.....	33,431.22	771,014.58	
Less Premiums more than Ninety Days due.....		64,615.01	706,399.57
Cash in Banks and Offices.....			1,533,010.97
Reinsurance and Other Accounts Receivable.....			60,083.04
Interest Due and Accrued.....			16,513.74
			<u>\$5,689,899.07</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share).....		\$1,000,000.00
Surplus and Undivided Profits.....		1,350,763.86
Reserve for Unearned Premiums.....		1,546,390.66
Reserve for Reported Losses.....		1,154,552.39
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$ 290,000.00	
Unallocated (Voluntary).....	25,625.50	315,625.50
Reserve for Expenses, Taxes and Other Liabilities.....		322,566.66
		<u>\$5,689,899.07</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York. The market value of amortizable bonds is \$16,932.19 greater than their amortized value.

Securities carried at \$675,822.49 in the above statement are deposited for purposes required by law.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

	(Stated in Canadian Dollars)	Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$775,737.39	(Increase \$27,868.06)
Less Reinsurance Ceded.....	130,602.17	(Increase 11,955.09)
Net Premiums Written.....	645,135.22	(Increase 15,912.97)
Increase in Unearned Premium Reserve.....	22,077.79	(Decrease 6,057.61)
Earned Premiums.....	623,057.43	(Increase 21,970.58)
From Securities—Interest and Dividends.....	62,265.93	(Increase 4,577.36)
TOTAL INCOME.....	<u>\$685,323.36</u>	(Increase 26,547.94)
OUTGO:		
For Operating Expenses Paid.....	\$184,051.02	(Increase 117.64)
For Claim Expenses Paid.....	31,605.89	(Increase 4,796.42)
For Commission Paid.....	148,422.42	(Increase 7,724.79)
For Taxes Paid.....	32,965.79	(Increase 977.29)
For Losses Incurred.....	\$218,743.52	(Increase 20,223.84)
Less Cash Salvage.....	<u>33,142.53</u>	(Decrease 9,074.53)
Net Losses Incurred.....	185,600.99	(Increase 29,298.37)
TOTAL OUTGO.....	<u>\$582,646.11</u>	(Increase 42,914.51)
EXCESS OF INCOME OVER OUTGO.....		\$102,677.25
(Decrease \$16,366.57)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 7,216.63	
Reserve for Overdue Premiums.....	938.41	
Agents' Balances Charged Off.....	<u>270.84</u>	8,425.88
Investment Income and Underwriting Profit Less Reserves.....		94,251.37
Deduct:		
Loss on Sale of Securities.....	\$ 3,969.83	
Less Appreciation in Value of Securities.....	<u>2,426.90</u>	1,542.93
		92,708.44
Deduct:		
Dividends Paid.....		<u>37,500.00</u>
Added to Surplus.....		55,208.44
Surplus January 1, 1940.....		<u>632,353.67</u>
Surplus December 31, 1940.....		<u>\$687,562.11</u>

# THE CANADIAN SURETY COMPANY

## FINANCIAL STATEMENT, DECEMBER 31, 1940

(Stated in Canadian Dollars)

### ADMITTED ASSETS

*Bonds, Stocks and Debentures.....		\$1,638,133.79
Premiums and Agents' Balances in Course of		
Collection.....	\$108,040.56	
Less Reinsurance Payable.....	28,718.78	\$79,321.78
Less Premiums and Agents' Balances		
more than Ninety Days due.....	10,772.43	68,549.35
Cash in Banks and Offices.....		71,093.46
Reinsurance Receivable.....		11,351.46
Accrued Interest Receivable.....		12,603.21
		<u>\$1,801,731.27</u>

### LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share).....	\$ 500,000.00
Surplus and Undivided Profits.....	687,562.11
Reserve for Unearned Premiums.....	328,654.45
Reserve for Reported Losses.....	125,309.58
Reserve for Unreported Losses.....	75,000.00
Reserve for Expenses and Taxes.....	70,139.56
Contingency Reserve.....	15,065.57
	<u>\$1,801,731.27</u>

\*Bonds, Stocks and Debentures are stated at values established by the Insurance Department of the Dominion of Canada. Market value of these securities is \$1,643,130.06. Contingency Reserve adjusts Insurance Department value to actual cost.

Securities carried at \$252,000.00 in the above statement are deposited for purposes required by law.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

(Stated in Mexican Pesos)

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	P\$1,331,996.54	(Increase P\$ 2,432.28)
Less Reinsurance Ceded.....	<u>229,363.49</u>	(Decrease 2,158.75)
Net Premiums Written.....	1,102,633.05	(Increase 4,591.03)
Decrease in Unearned Premium Reserve....	<u>13,420.89</u>	(Increase 41,206.35)
Earned Premiums.....	1,116,053.94	(Increase 45,797.38)
From Buildings—Rents Less Operating Expense..	<u>20,748.17</u>	(Decrease 789.79)
From Securities—Interest and Dividends.....	<u>80,401.03</u>	(Decrease 8,575.09)
TOTAL INCOME.....	<u>P\$1,217,203.14</u>	(Increase 36,432.50)
OUTGO:		
For Operating Expenses Paid.....	P\$ 263,643.18	(Decrease 9,404.82)
For Claim Expenses Paid.....	<u>26,703.24</u>	(Increase 4,793.47)
For Taxes Paid.....	67,902.79	(Increase 603.28)
For Commissions Paid.....	<u>181,718.29</u>	(Increase 590.38)
For Loss Incurred.....	P\$345,748.75	(Increase 18,304.40)
Less Cash Salvage.....	<u>117,349.89</u>	(Increase 124.81)
Net Losses Incurred.....	<u>228,398.86</u>	(Increase 18,176.59)
TOTAL OUTGO.....	<u>P\$ 768,366.36</u>	(Increase 14,758.90)
Excess of Income over Outgo.....		P\$448,836.78
(Increase P\$21,673.60)		
Increase in Reserve for Expenses and Taxes.....		3,230.03
Investment Income and Underwriting Profit Less Reserves.....		<u>P\$445,606.75</u>
(Stated in United States Dollars converted at the rate of 4.90 Pesos Mexican to One Dollar United States)		
Investment Income and Underwriting Profit.....		\$ 90,940.15
Deduct:		
Loss from Sale of Real Estate and from Exchange.....	\$ 859.43	
Depreciation in Value of Securities Unsold.....	<u>44.13</u>	
Increase in Reserve for Unreported Losses.....	<u>5,000.00</u>	<u>5,903.56</u>
		\$ 85,036.59
Dividends Paid.....		<u>48,979.59</u>
Added to Surplus.....		\$ 36,057.00
Surplus January 1, 1940.....		\$195,763.00
Add:		
Adjustment of Dollar Value Net Assets Due to Advance in the Rate of Exchange from 5.80 to 4.90 Pesos.....	\$34,013.92	
Deduct:		
Capital Stock P\$500,000 Par Value Converted at Rate of 4.90 instead of 5.80.....	<u>15,833.92</u>	<u>18,180.00</u>
Surplus December 31, 1940.....		<u>\$250,000.00</u>

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1940

(Converted into United States Currency, in the ratio of 4.90 Mexican Pesos, to One United States Dollar)

ADMITTED ASSETS

Real Estate —Unencumbered.....	\$ 68,572.88
Bonds and Stocks (At Market Value).....	147,399.20
Premiums in Course of Collection.....	6,929.90
Cash in Banks and Office.....	167,006.47
Cash Reinsurance Fund.....	113,091.00
*Cash Deposits under Law.....	49,489.80
Mortgage Loans.....	72,630.76
Reinsurance and Accounts Receivable.....	15,783.71
Interest Due and Accrued.....	1,339.22
	<hr/>
	\$642,242.94

LIABILITIES

Capital Stock (5,000 Shares. Par Value P 100. per Share).....	\$102,040.82
Surplus and Undivided Profits.....	\$250,000.00
Legal Fund Provision.....	34,013.60
	<hr/>
Reserve for Unearned Premiums.....	153,790.35
Reserve for Reported Losses.....	53,789.46
Reserve for Unreported Losses.....	30,000.00
Reserve for Expenses, Taxes and Other Liabilities.....	18,608.71
	<hr/>
	\$642,242.94

\*Cash amounting to \$49,489.80 is deposited for purposes required by law.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . . \$ 11,186.69

TOTAL INCOME . . . . . \$ 11,186.69

OUTGO:

For Expenses Paid . . . . . \$ 41.10

For Taxes Paid . . . . . 924.18

TOTAL OUTGO . . . . . \$ 965.28

EXCESS OF INCOME OVER OUTGO . . . . . \$ 10,221.41

Add:

Appreciation in value of Securities . . . . . \$10,112.50

Less Loss from Sale of Securities . . . . . 750.00

9,362.50

Deduct:

Dividends Paid . . . . . 10,000.00

Add to Surplus . . . . . 9,383.91

Surplus January 1, 1940 . . . . . 119,663.92

Surplus December 31, 1940 . . . . . \$129,247.83

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1940

### RESOURCES

Stocks (At Market Value) . . . . . \$ 94,602.50

Cash in Banks . . . . . 28,784.97

Real Estate Mortgage and other Loans Receivable . . . . . 103,600.00

Accounts Receivable less Reserve . . . . . 3,760.36

\$230,747.83

### LIABILITIES

Capital Stock (2,000 Shares. Par Value \$50.00 per Share) . . . . . \$100,000.00

Surplus . . . . . 129,247.83

Reserve for Taxes . . . . . 1,500.00

\$230,747.83



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE	U. S. GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 200,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1941.....	\$ 204,000.00
20,000	U. S. of America Treasury Bonds 3¾%, 1943/1941.....	20,400.00
500,000	U. S. of America Treasury Notes, Ser. "B" 1%, 1944.....	510,000.00
269,000	U. S. of America Treasury Bonds 3¼%, 1945/1943.....	293,210.00
84,500	U. S. of America Treasury Bonds 3¼%, 1946/1944.....	92,950.00
650,000	U. S. of America Treasury Bonds 2½%, 1947.....	695,500.00
25,000	U. S. of America Treasury Bonds 3%, 1948/1946.....	28,000.00
120,000	U. S. of America Treasury Bonds 2%, 1950/1948.....	128,400.00
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\$1,868,500		\$1,972,460.00

## U. S. GUARANTEED BONDS

\$1,230,000	Home Owners' Loan Corporation Ser. "G" 2¼%, 1944/1942.....	\$1,266,900.00
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## U. S. TERRITORIAL BONDS

\$ 10,000	Porto Rico Workingmen's House Cons., Ser. "B" 4½%, 1942/1940.....	\$ 10,000.00
5,000	Porto Rico Public Improvement, Ser. "A" 5%, 1945/1944.....	5,550.00
10,000	Porto Rico Irrigation Loan of 1915, Ser. "F" 4%, 1956.....	11,600.00
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\$ 25,000		\$ 27,150.00

## CANADIAN BONDS

\$ 20,000	Dominion of Canada, 3½%, 1949/1944.....	\$ 17,600.00
50,000	Province of Alberta, Canada, 4%, 1957.....	22,500.00
50,000	Province of Manitoba, Canada, 4%, 1957.....	34,000.00
20,000	City of Winnipeg, Dominion of Canada, Con. Deb. 5%, 1943.....	17,000.00
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\$ 140,000		\$ 91,100.00

## STATE AND MUNICIPAL BONDS

\$ 50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1941.....	\$ 50,000.00
100,000	N. Y. State Gen. State Improvement 2¼%, 1941.....	100,000.00
75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	77,250.00
35,000	Albany County, N. Y. 2%, 1941.....	35,000.00
35,000	Monroe County, N. Y. 2%, 1941.....	35,000.00
25,000	Rockland County, N. Y. 1¾%, 1941.....	25,000.00
50,000	City of Syracuse, N. Y. 2%, 1941.....	50,000.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,500.00
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\$ 420,000		\$ 423,750.00



# AMERICAN SURETY COMPANY—Continued

PAR VALUE		DEPARTMENT VALUES
RAILROAD BONDS		
\$ 200,000	Baltimore & Ohio R. R. Stpd. Mod. Conv. 4½%, 1960.....	\$ 30,000.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., "D" 1-5%, 2000.....	18,500.00
480,000	Chicago & Northwestern Ry. Co. Conv. 4¾%, 1949.....	9,600.00
90,000	Delaware & Hudson R. R. Co. 1st Ref. 4%, 1943.....	45,000.00
40,000	Erie R. R. Co. Consolidated General Lien 4%, 1996.....	18,000.00
20,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950....	13,800.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977..	40,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	1,250.00
190,000	Southern Pacific Co. 4½%, 1969.....	76,000.00
45,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956	27,000.00
16,000	Texarkana & Ft. Smith Ry. Co. 1st Mortgage Guaranteed Series "A" 5½%, 1950.....	14,560.00
50,000	Wabash R. R. Co. 2nd Mortgage 5%, 1939.....	7,500.00
50,000	Wabash Ry. Co. Ref. & Gen. Mtge. Series "B" 5%, 1976.....	4,500.00
\$1,443,500		\$ 305,710.00
PUBLIC UTILITY BONDS		
\$ 50,000	Hydro-Electric Power Commission of Ontario, Guaranteed by Province of Ontario, 3¼%, 1953.....	\$ 33,000.00
90,000	Western Union Telegraph Co. 5%, 1951.....	70,200.00
\$ 140,000		\$ 103,200.00
INDUSTRIAL BONDS		
\$ 25,000	Armour & Co. of Delaware 1st Mortgage Sinking Fund, Series "B" 4%, 1955.....	\$ 26,500.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	81,000.00
\$ 125,000		\$ 107,500.00
RAILROAD STOCKS		
3,000 Shares	Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd..	\$ 189,000.00
900 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	16,200.00
500 Shares	Chesapeake & Ohio Ry. Co. 4% Pfd. Non-Cum.....	51,000.00
3,000 Shares	New York Central R. R. Co. Common.....	42,000.00
1,800 Shares	Northern Pacific Railway Co. Common.....	10,800.00
5,625 Shares	Pennsylvania R. R. Co. Common.....	129,375.00
2,100 Shares	Reading Co. Common.....	27,300.00
1,800 Shares	Southern Pacific Co. Common.....	14,400.00
4,000 Shares	Southern Railway Co. \$5 Non-Cum. Pfd.....	88,000.00
6,500 Shares	Southern Railway Co. Common.....	78,000.00
1,000 Shares	Texas & Pacific Railway Co. Common.....	8,000.00
500 Shares	Union Pacific R. R. Co. 4% Pfd. Non-Cum.....	42,500.00
		\$ 696,575.00

# AMERICAN SURETY COMPANY—Continued

DEPARTMENT  
VALUES

## PUBLIC UTILITY STOCKS

1,000 Shares	American Pwr. & Lgt. Co. \$5 Cum. Pfd. Ser. "A" Unstamped..\$	39,000.00
300 Shares	American Telephone and Telegraph Co. Common.....	51,000.00
1,700 Shares	Commonwealth Edison Co. Common.....	49,300.00
834 Shares	Commonwealth & Southern Corp. \$6 Cum. Pfd.....	43,368.00
1,000 Shares	Consolidated Edison Co. of N. Y. \$5 Cum. Pfd.....	108,000.00
2,000 Shares	Consolidated Edison Co. of N. Y. Common.....	46,000.00
300 Shares	Consolidated Gas, Electric Light & Power Co. of Baltimore Common.....	21,300.00
1,000 Shares	Consumers Power Co. \$4.50 Pfd. Cum.....	107,000.00
1,400 Shares	Engineers Public Service Co. \$5 Cum. Conv. Pfd.....	93,800.00
1,600 Shares	Pacific Gas & Electric Co. Common.....	44,800.00
1,300 Shares	Public Service Corporation of New Jersey Common.....	37,700.00
800 Shares	Southern California Edison Co., Ltd. Common.....	22,400.00
1,000 Shares	The United Corporation \$3 Cum. Pfce.....	28,000.00

## BANK STOCKS

7,032 Shares	Chase National Bank of the City of New York.....\$	691,668.00
		246,120.00

## MISCELLANEOUS STOCKS

214 Shares	Allis-Chalmers Mfg. Co. Common.....\$	7,704.00
703 Shares	Amerex Holding Corp.....	8,436.00
700 Shares	American Chicle Co. Common.....	84,000.00
1,800 Shares	American Home Products Corp. Common.....	90,000.00
1,000 Shares	American Locomotive Co. \$7 Cum. Pfd.....	90,000.00
1,200 Shares	American Smelting & Refining Co. Common.....	51,600.00
1,400 Shares	American Snuff Co. Common.....	71,400.00
500 Shares	American Sugar Refining Co. \$7 Cum. Pfd.....	40,500.00
1,100 Shares	American Tobacco Co. "B" Common.....	78,100.00
4,100 Shares	Borden Company Common.....	77,900.00
1,500 Shares	Corn Products Refining Co. Common.....	69,000.00
2,100 Shares	First National Stores, Inc. Common.....	86,100.00
1,800 Shares	General Electric Co. Common.....	59,400.00
2,200 Shares	General Foods Corp. Common.....	83,600.00
1,400 Shares	General Motors Common.....	67,200.00
2,900 Shares	(H. L.) Green Co., Inc. Common.....	95,700.00
3,200 Shares	Kroger Grocery & Baking Co. Common.....	92,800.00
4,000 Shares	P. Lorillard Co. Common.....	72,000.00
400 Shares	Monsanto Chemical Co. Common.....	34,400.00
3,900 Shares	National Biscuit Co. Common.....	70,200.00
4,500 Shares	National Dairy Products Corp. Common.....	58,500.00
3,000 Shares	Ohio Oil Co. Common.....	24,000.00
1,100 Shares	J. C. Penney Co. Common.....	94,600.00
1,000 Shares	Philip Morris & Co., Ltd., Inc. Common.....	77,000.00
2,000 Shares	Pullman, Inc. Common.....	52,000.00

# AMERICAN SURETY COMPANY—Continued

MISCELLANEOUS STOCKS—Continued		DEPARTMENT
		VALUES
1,000 Shares	Reynolds Metals Co. $5\frac{1}{2}\%$ Cum. Conv. Pfd.....	\$ 95,000.00
2,600 Shares	Reynolds (R. J.) Tobacco Co. "B" Common.....	83,200.00
24 Shares	Safeway Stores, Inc. $5\frac{1}{2}\%$ Pfd.....	2,688.00
1,600 Shares	Safeway Stores, Inc. Common.....	70,400.00
4,000 Shares	Socony-Vacuum Oil Co., Inc. Common.....	36,000.00
1,200 Shares	Sterling Products, Inc. Common.....	76,800.00
1,000 Shares	Texas Corp. Common.....	41,000.00
1,100 Shares	Union Carbide & Carbon Corp. Common.....	77,000.00
2,200 Shares	United States Steel Corp. Common.....	154,000.00
2,600 Shares	United States Tobacco Co. Common.....	78,000.00
1,000 Shares	F. W. Woolworth Co. Common.....	33,000.00

\$ 2,383,228.00

## STOCKS OF SUBSIDIARY COMPANIES

800 Shares	Amnyco Printing & Supply Corp. }	
2,000 Shares	Amsuco Securities Company }	\$ 140,000.00
4,318 Shares	Canadian Surety Company.....	519,926.37
4,975 Shares	Compania Mexicana de Garantias, S. A.....	99,500.00
39,980 Shares	New York Casualty Company.....	1,784,450.00

\$ 2,543,876.37

PAR VALUE	RECAPITULATION	
\$1,868,500	U. S. Government Bonds.....	\$ 1,972,460.00
1,230,000	U. S. Guaranteed Bonds.....	1,266,900.00
25,000	U. S. Territorial Bonds.....	27,150.00
140,000	Canadian Bonds.....	91,100.00
420,000	State and Municipal Bonds.....	423,750.00
1,443,500	Railroad Bonds.....	305,710.00
140,000	Public Utility Bonds.....	103,200.00
125,000	Industrial Bonds.....	107,500.00

\$5,392,000      Total of Bonds.....\$ 4,297,770.00

Railroad Stocks.....	\$ 696,575.00
Public Utility Stocks.....	691,668.00
Bank Stocks.....	246,120.00
Miscellaneous Stocks.....	2,383,228.00
Stocks of Subsidiary Companies.....	2,543,876.37

Total of Stocks.....\$ 6,561,467.37

## GRAND TOTAL OF BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK.....\$10,859,237.37

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are stated at less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE		DEPARTMENT VALUES
MORTGAGE LOANS		
\$283,025.00	Various Mortgage Loans on Real Estate, N. Y., 1940.....	\$ 283,025.00
201,551.42	Various Mortgage Loans on Real Estate, N. Y., 1941.....	201,551.42
55,350.00	Various Mortgage Loans on Real Estate, N. Y., 1942.....	54,500.00
23,725.52	Various Mortgage Loans on Real Estate, N. Y., 1943.....	23,725.52
22,525.00	Various Mortgage Loans on Real Estate, N. Y., 1945.....	22,525.00
26,455.00	Various Mortgage Loans on Real Estate, N. Y., 1946.....	22,500.00
18,900.00	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1947.....	18,900.00
\$631,531.94		\$ 626,726.94
U. S. GOVERNMENT BONDS		
\$ 50,000	U. S. of America Treasury Notes, Ser. "A" 1½%, 1941.....	\$ 51,000.00
172,000	U. S. of America Treasury Bonds, 3¼%, 1945/1943.....	187,480.00
10,000	U. S. of America Treasury Bonds, 3¼%, 1946/1944.....	11,000.00
65,000	U. S. of America Treasury Bonds, 2%, 1947.....	69,550.00
40,000	U. S. of America Treasury Bonds, 2%, 1950/1948.....	42,800.00
150,000	U. S. of America Treasury Bonds, 2¼%, 1953/1951.....	160,500.00
105,000	U. S. of America Treasury Bonds, 2½%, 1953/1949.....	114,450.00
10,000	U. S. of America Treasury Bonds, 3%, 1955/1951.....	11,400.00
10,000	U. S. of America Treasury Bonds, 2¾%, 1960/1955.....	11,200.00
\$612,000		\$ 659,380.00
U. S. GUARANTEED BONDS		
\$125,000	Home Owners' Loan Corporation Ser. "G" 2¼%, 1944/1942.....	\$ 128,750.00
STATE AND MUNICIPAL BONDS		
\$ 50,000	N. Y. State Emerg. Unemploy. Relief 3%, 1941.....	\$ 50,000.00
50,000	N. Y. State Gen. State Improvement 2¼%, 1941.....	50,000.00
75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	77,250.00
50,000	City of Syracuse, N. Y. 2%, 1941.....	50,000.00
10,000	N. Y. City Harlem River Bridge Construction 3½%, 1941.....	10,000.00
10,000	N. Y. City High Schools & Sites Therefor 3½%, 1941.....	10,000.00
50,000	City of Albany, N. Y. 2%, 1942.....	51,500.00
\$295,000		\$ 298,750.00
RAILROAD BONDS		
\$ 45,000	Ann Arbor R. R. Co. 1st Mtge. 4%, 1995.....	\$ 22,500.00
15,000	Atlantic & Danville Ry. Co. 1st Mtge. 4%, 1948.....	5,250.00
50,000	Baltimore & Ohio R. R. Secured Notes 4%, 1944.....	27,000.00
16,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge. Ser. "A" 4%, 1959.....	8,480.00
25,000	Boston & Maine R. R. Co. Income Mortgage Series "A" 4½%, 1970..	7,000.00



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	DEPARTMENT VALUES
\$ 10,000	Boston & Maine R. R. Co. 1st Mortgage Series RR 4%, 1960.....	\$ 4,750.00
30,000	Central Pacific Railway Co. 5%, 1960.....	12,600.00
45,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	22,500.00
15,000	Ill. Cent. R. R. Co. & Chi., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	6,150.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938....	1,800.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	400.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	400.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	19,000.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013	12,800.00
50,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 5½%, 1974.....	36,500.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage, 4%, 1992.....	1,500.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A", 5%, 1956.....	15,800.00
50,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950.....	5,000.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	24,000.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946 Assented	7,500.00
50,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	14,500.00

\$681,000

## PUBLIC UTILITY BONDS

\$ 255,430.00

\$ 25,000	Standard Gas & Electric Co. of Delaware Deb. Series "A" 6%, 1951..\$	17,500.00
45,000	Western Union Telegraph 5%, 1951.....	35,100.00

\$ 70,000

## RAILROAD STOCKS

\$ 52,600.00

400 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 7,200.00
600 Shares	Baltimore & Ohio R. R. Co. Common.....	1,800.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	8,000.00
500 Shares	Great Northern Railway Co. \$6 Non-Cum. Pfd.....	13,000.00
500 Shares	Illinois Central R. R. Co. Common.....	3,500.00
500 Shares	Missouri, Kansas, Texas R. R. Co. \$7 Cum. Pfd. "A".....	500.00
500 Shares	New York Central R. R. Co. Common.....	7,000.00
500 Shares	Norfolk & Western Railway Co. Common.....	106,500.00
500 Shares	Northern Pacific Railway Co. Common.....	3,000.00
600 Shares	Pennsylvania R. R. Co. Common.....	13,800.00
400 Shares	Southern Pacific Co. Common.....	3,200.00
400 Shares	Southern Railway Co. Common.....	4,800.00
500 Shares	Union Pacific Railway Co. Common.....	39,500.00

\$ 211,800.00

# NEW YORK CASUALTY COMPANY—Continued

## PUBLIC UTILITY STOCKS

		DEPARTMENT VALUES
100 Shares	American Telephone & Telegraph Co. Common.....	\$ 17,000.00
500 Shares	American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd....	50,500.00
500 Shares	Commonwealth Edison Co. Common.....	14,500.00
1,100 Shares	Consolidated Edison Co. of N. Y., Inc. Common.....	25,300.00
200 Shares	Electric Bond & Share Co. \$5 Cum. Pfd.....	11,400.00
200 Shares	Electric Power & Light Co. \$6 Cum. Pfd.....	5,600.00
500 Shares	Electric Power & Light Co. Common.....	2,000.00
500 Shares	Federal Light & Traction Co. \$6 Cum. Pfd.....	49,000.00
500 Shares	North American Co. \$3 Cum. Pfd.....	29,500.00
800 Shares	Pacific Gas & Electric Co. Common.....	22,400.00
700 Shares	Public Service Corp. of New Jersey Common.....	20,300.00
500 Shares	Standard Gas & Electric Co. \$4 Cum. Pfd.....	1,500.00
600 Shares	United Gas Improvement Co. Common.....	6,000.00
		<hr/>
		\$ 255,000.00

## BANK AND TRUST COMPANY STOCKS

70 Shares	Brooklyn Trust Co., Brooklyn, N. Y.....	\$ 5,530.00
500 Shares	Chase National Bank of the City of New York.....	17,500.00
10 Shares	First National Bank of the City of New York.....	16,950.00
200 Shares	Girard Trust Co., Philadelphia, Pa.....	11,200.00
65 Shares	Guaranty Trust Co. of the City of New York.....	19,370.00
1,750 Shares	Manhattan Co., New York, N. Y.....	28,000.00
		<hr/>
		\$ 98,550.00

## MISCELLANEOUS STOCKS

50 Shares	Amerex Holding Corp.....	\$ 600.00
600 Shares	American Smelting & Refining Co. Common.....	25,800.00
500 Shares	American Tobacco Co. "B" Common.....	35,500.00
500 Shares	Anaconda Copper Mining Co. Common.....	13,500.00
2,000 Shares	Borden Co. Common.....	38,000.00
700 Shares	Corn Products Refining Co. Common.....	32,200.00
550 Shares	Eastman Kodak Co. Common.....	77,550.00
1,000 Shares	First National Stores, Inc. Common.....	41,000.00
1,000 Shares	General Foods Corp. Common.....	38,000.00
1,400 Shares	(H. L.) Green Co., Inc. Common.....	46,200.00
500 Shares	Kennecott Copper Co. Common.....	18,500.00
1,500 Shares	Kroger Grocery & Baking Co. Common.....	43,500.00
2,000 Shares	P. Lorillard Co. Common.....	36,000.00
53 Shares	Mission Corp. Common.....	583.00
2,000 Shares	National Biscuit Co. Common.....	36,000.00
500 Shares	J. C. Penney Co. Common.....	43,000.00
500 Shares	Philip Morris & Co., Ltd., Inc. Common.....	38,500.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS—Continued

DEPARTMENT  
VALUES

500 Shares	Pullman, Inc. Common	\$ 13,000.00
1,100 Shares	Reynolds (R. J.) Tobacco Co. "B" Common	35,200.00
12 Shares	Safeway Stores, Inc. 5% Pfd.	1,344.00
1,000 Shares	Safeway Stores, Inc. Common	44,000.00
1,000 Shares	Socony-Vacuum Oil Co., Inc. Common	9,000.00
1,040 Shares	Standard Oil Co. of N. J. Common	35,360.00
600 Shares	Sterling Products, Inc. Common	38,400.00
700 Shares	F. W. Woolworth Co. Common	23,100.00
		<u>\$ 763,837.00</u>

PAR  
VALUE

## RECAPITULATION

\$ 631,531.94	Mortgage Loans	\$ 626,726.94
\$ 612,000.00	U. S. Government Bonds	\$ 659,380.00
125,000.00	U. S. Guaranteed Bonds	128,750.00
295,000.00	State and Municipal Bonds	298,750.00
681,000.00	Railroad Bonds	255,430.00
70,000.00	Public Utility Bonds	52,600.00
<u>\$1,783,000.00</u>	Total of Bonds	<u>\$1,394,910.00</u>
	Railroad Stocks	\$ 211,800.00
	Public Utility Stocks	255,000.00
	Bank and Trust Company Stocks	98,550.00
	Miscellaneous Stocks	763,837.00
	Total of Stocks	<u>\$1,329,187.00</u>
	GRAND TOTAL OF MORTGAGE LOANS, BONDS AND STOCKS OWNED BY NEW YORK CASUALTY COMPANY	<u>\$3,350,823.94</u>

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values established by the Insurance Department of the State of New York.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 10,000.00	Dominion of Canada 3%, 1949/52.....	\$ 9,900.00
39,000.00	Dominion of Canada 4½%, 1948/58.....	42,510.00
75,000.00	Dominion of Canada Conversion Loan 4½%, 1949/59.....	82,500.00
20,000.00	Dominion of Canada 3¼%, 1946/49.....	20,600.00
10,000.00	Dominion of Canada 3½%, 1949.....	10,300.00
20,000.00	Dominion of Canada 3¼%, 1948/51.....	20,200.00
15,000.00	Dominion of Canada 3¼%, 1948/52.....	15,000.00
191,000.00	Dominion of Canada 3%, 1953/58.....	187,180.00
45,000.00	Dominion of Canada 3¼%, 1956/66.....	45,000.00
5,000.00	Canadian National Railway guaranteed by Dominion of Canada 4½%, 1956.....	5,700.00
26,000.00	Canadian National Railway guaranteed by Dominion of Canada 4½%, 1957.....	29,640.00
15,000.00	Canadian National Railway guaranteed by Dominion of Canada 3%, 1945/50.....	14,850.00
50,000.00	Canadian National Railway guaranteed by Dominion of Canada 3%, 1954/59.....	48,500.00
40,000.00	Canadian National Railway guaranteed by Dominion of Canada 4½%, 1951 (On deposit with American Surety Co. in New York)	45,200.00
14,580.00	Grand Trunk Pacific Railway guaranteed by Dominion of Canada 4%, 1962.....	15,746.40
5,000.00	Province of Alberta 4½%, 1956.....	3,300.00
7,000.00	Province of British Columbia 4½%, 1948-50-52.....	7,150.00
10,000.00	Province of British Columbia 4%, 1950.....	9,900.00
3,000.00	Province of British Columbia 4½%, 1955.....	3,090.00
10,000.00	Province of New Brunswick 5%, 1959.....	10,800.00
10,000.00	Province of New Brunswick 3%, 1951.....	8,900.00
11,000.00	Province of New Brunswick 3¼%, 1945.....	10,560.00
5,000.00	Province of New Brunswick 4%, 1945/47.....	4,950.00
3,000.00	Province of Prince Edward Island 4%, 1948/50.....	2,970.00
10,000.00	Province of Quebec 3¼%, 1949.....	9,600.00
5,000.00	Province of Quebec 4¼%, 1958.....	5,100.00
25,000.00	Province of Quebec 3¼%, 1951/54.....	23,000.00
10,000.00	Province of Nova Scotia 3½%, 1949.....	9,800.00
20,000.00	Province of Nova Scotia 3½%, 1950.....	19,600.00
5,000.00	Province of Nova Scotia 5%, 1960.....	5,600.00
10,000.00	Province of Nova Scotia 4½%, 1961.....	10,600.00
20,000.00	Province of Ontario 3¼%, 1945/47.....	20,200.00
26,000.00	Province of Ontario 5%, 1948.....	28,860.00
25,000.00	Province of Ontario 3%, 1945/49.....	24,500.00
10,000.00	Province of Ontario 3%, 1951.....	9,700.00
10,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Prov. of Ontario 3%, 1946/48.....	9,900.00
25,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Prov. of Ontario 4%, 1957.....	26,750.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	GOVERNMENT BONDS—Continued	DEPARTMENT VALUES
\$ 30,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Prov. of Ontario 3¼%, 1950/53.....	\$ 29,700.00
10,000.00	T. & N. O. Railway Commission guaranteed by Prov. of Ontario 4%, 1965.....	10,600.00
\$880,580.00		\$897,956.40
	MUNICIPAL BONDS	
\$ 10,000.00	City of Belleville, Ont. 4½%, 1941.....	\$ 10,100.00
2,000.00	City of Brandon, Man. (defaulted) 5½%, 1939.....	1,500.00
1,000.00	City of Brandon, Man. 4½%, 1942.....	750.00
2,000.00	City of Brantford, Ont. 4½%, 1942.....	2,060.00
4,000.00	City of Brantford, Ont. 5%, 1944.....	4,280.00
5,000.00	City of Charlottetown, P. E. I. 3½%, 1952.....	4,700.00
2,000.00	City of Fort William, Ont. 4½%, 1952.....	2,120.00
4,000.00	City of Fort William, Ont. 4½%, 1957.....	4,320.00
5,000.00	City of Halifax, N. S. 5%, 1961.....	5,400.00
5,000.00	City of Hamilton, Ont. 5%, 1947.....	5,450.00
10,000.00	City of Hamilton, Ont. 3½%, 1954.....	10,100.00
10,000.00	City of Montreal, Que. 3½%, 1944.....	9,200.00
10,000.00	City of Montreal, Que. 4%, 1945.....	9,200.00
2,000.00	City of North Bay, Ont. 5%, 1941.....	2,020.00
4,000.00	City of North Bay, Ont. 5%, 1942-3.....	4,120.00
2,000.00	City of Oshawa, Ont. 5½%, 1946.....	2,140.00
3,000.00	City of Port Arthur, Ont. 5%, 1945.....	3,180.00
5,000.00	City of Regina, Sask. 5½%, 1942.....	4,850.00
1,500.00	City of Regina, Sask. 6½%, 1951.....	1,335.00
5,000.00	City of Saskatoon, Sask. 4½%, 1948.....	4,300.00
5,000.00	City of Saint John, N. B. 4½%, 1971.....	4,950.00
10,000.00	City and County of Saint John N. B. 4½%, 1971.....	9,900.00
5,000.00	City of Sherbrooke, Que. 3½%, 1955.....	4,900.00
15,000.00	City of Sydney, N. S. 4½%, 1942.....	15,300.00
2,000.00	City of Three Rivers, Que. 5½%, 1947.....	2,080.00
5,500.00	City of Three Rivers, Que. 5½%, 1952.....	5,720.00
15,000.00	City of Toronto, Ont. 5%, 1945.....	16,350.00
15,000.00	City of Victoria, B. C. 5½% to 1941, 4½% thereafter, 1966.....	13,800.00
1,000.00	City of Victoria, B. C. 5½% to 1941, 4½% thereafter, 1966.....	920.00
1,000.00	City of Victoria, B. C. 5½% to 1945, 4½% thereafter, 1966.....	950.00
3,000.00	City of Winnipeg, Man. 4½%, 1950.....	3,060.00
1,703.33	City of Winnipeg, Man., Reg'd Stock 4½%, 1943/63.....	1,703.33
4,000.00	Town of Carleton Place, Ont. 5½%, 1952.....	4,560.00
3,000.00	Town of Collingwood, Ont. guaranteed by County of Simcoe, Ont. 5% to Dec. 1, 1944, 4½% thereafter, 1963.....	3,000.00
6,000.00	Town of Cornwall, Ont. 5%, 1943-44.....	6,450.00
4,000.00	Town of Cornwall, Ont. 5%, 1945.....	4,360.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 2,000.00	Town of Dundas, Ont. 5 <sup>0</sup> / <sub>100</sub> , 1948 .....	\$ 2,200.00
8,000.00	Town of Dundas, Ont. 5 <sup>0</sup> / <sub>100</sub> , 1949 .....	8,880.00
412.94	Town of Renfrew, Ont. 5 <sup>0</sup> / <sub>100</sub> , 1941 .....	417.07
6,000.00	Town of Sorel, Que. 4 <sup>0</sup> / <sub>100</sub> , 1960 .....	5,400.00
5,000.00	Town of Swift Current, Sask. Certificate of Indebtedness No. 172 3 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1937 .....	1,250.00
1,517.83	Town of Watrous, Sask. 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1933 to 1956 .....	683.02
185.84	Town of Watrous, Refunding Debentures 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1957-59 .....	83.63
6,145.49	Town of Weston, Ont. 5 <sup>0</sup> / <sub>100</sub> to 1947, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> thereafter, 1947/62 ..	6,329.85
940.69	Village of Madoc, Ont. 5 <sup>0</sup> / <sub>100</sub> , 1947 .....	1,025.35
10,000.00	Township of Barton, Ont. 5 <sup>0</sup> / <sub>100</sub> , 1944 .....	10,500.00
7,000.00	Township of Colchester South, Ont. 5 <sup>0</sup> / <sub>100</sub> , 1943-49 .....	7,420.00
5,000.00	Township of East York, Ont. 1974, 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> to 1947, 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> there- after .....	4,900.00
2,000.00	Township of Esquimalt, B. C. 5 <sup>0</sup> / <sub>100</sub> , 1963 .....	1,900.00
7,000.00	Township of Richmond, B. C. 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1959 .....	7,070.00
7,000.00	District of North Vancouver, B. C. 5 <sup>0</sup> / <sub>100</sub> , 1960 .....	1,820.00
4,000.00	County of Carleton, Ont. 6 <sup>0</sup> / <sub>100</sub> , 1941-44 .....	4,250.00
7,000.00	County of Lincoln, Ont. 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1942 .....	7,280.00

\$267,906.12

\$260,537.25

## SCHOOL BONDS

\$ 7,000.00	Protestant School, Montreal 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1943 .....	\$ 6,930.00
6,000.00	North Bay, Ont. Separate Schools 6 <sup>0</sup> / <sub>100</sub> , 1950-52 .....	6,720.00
1,000.00	North Bay, Ont. Separate Schools 6 <sup>0</sup> / <sub>100</sub> , 1953 .....	1,140.00
10,346.29	St. Hyacinthe, Que. School 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1953 to 1960 .....	10,760.14
5,000.00	Roman Catholic School, Toronto 5 <sup>0</sup> / <sub>100</sub> , 1945 .....	5,350.00

\$ 29,346.29

\$ 30,900.14

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp. 3 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1945 .....	\$ 10,000.00
20,000.00	Canada Permanent Mortgage Corp. 3 <sup>1</sup> / <sub>4</sub> <sup>0</sup> / <sub>100</sub> , 1941 .....	20,000.00
10,000.00	Canada Permanent Mortgage Corp. 3 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1942 .....	10,000.00
20,000.00	Huron & Erie Mortgage Corp. 3 <sup>0</sup> / <sub>100</sub> , 1941 .....	20,000.00
10,000.00	British Columbia Telephone Co., Ltd., 1st Mortgage Gold Bonds Series B 4 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1961 .....	10,600.00
10,000.00	British Columbia Power Corp., Ltd. 4 <sup>1</sup> / <sub>4</sub> <sup>0</sup> / <sub>100</sub> , 1960 .....	10,200.00
10,000.00	Canada Cement Co., Ltd., 1st Mortgage Sinking Fund, Series "A" 4 <sup>1</sup> / <sub>4</sub> <sup>0</sup> / <sub>100</sub> , 1951 .....	10,400.00
5,000.00	Canada Northern Power Corp. 5 <sup>0</sup> / <sub>100</sub> , 1953 or earlier .....	5,200.00
10,000.00	Canada Steamship Lines 5 <sup>0</sup> / <sub>100</sub> , 1957 .....	9,700.00
5,000.00	Canadian International Paper Co., 1st Mortgage 6 <sup>0</sup> / <sub>100</sub> , 1949 or earlier ..	5,150.00
3,000.00	Consolidated Paper Corp., Ltd., 1st Mtge. Gold Bonds 5 <sup>1</sup> / <sub>2</sub> <sup>0</sup> / <sub>100</sub> , 1961 ..	2,040.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	DEPARTMENT VALUES
\$ 10,000.00	T. Eaton Realty Co., Ltd., 1st Mortgage Sinking Fund Series "A" 4%, 1951 .....	\$ 10,300.00
10,000.00	Great Lakes Paper Company 5%, 1955 .....	9,300.00
5,000.00	Gatineau Power Co. 3¾%, 1969 .....	4,900.00
11,000.00	Hamilton Cotton Co., Ltd. 4¼%, 1950 .....	11,110.00
5,000.00	Lake St. John Power & Paper Co., 1st Mortgage Sinking Fund Series A 5½%, 1961 or earlier .....	4,550.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage Sinking Fund 1958, 3% to 1943, 5½% thereafter .....	7,500.00
10,000.00	MacLaren-Quebec Power Co. 4%, 1944/59 .....	9,800.00
20,000.00	Massey-Harris Co., Ltd. 4¼%, 1954 .....	18,600.00
10,000.00	Montreal Light, Heat and Power Cons. 3½%, 1963 .....	9,700.00
5,000.00	McColl Frontenac Oil Co., Ltd. 4¼%, 1949 .....	5,100.00
10,000.00	Nova Scotia Light & Power Co., 1st Mortgage 4%, 1957 or earlier .....	10,100.00
5,000.00	Ottawa Light, Heat & Power Cons. 4%, 1957 .....	5,100.00
5,000.00	Price Bros., Ltd. 5%, 1957 .....	4,950.00
10,000.00	Rolland Paper Co. 4½%, 1941/51 .....	10,300.00
15,000.00	St. John Dry Dock & Shipbuilding Co. 3%, 1950 or earlier .....	14,550.00
10,000.00	St. John Dry Dock & Shipbuilding Co. 3%, 1951 or earlier .....	9,700.00
7,000.00	Saguenay Power Co., Ltd. "B" 4¼%, 1966 .....	7,280.00
20,000.00	Simpson's, Ltd., 1st Mortgage and Collateral Trust Series "A" 4¼%, 1951 or earlier .....	20,200.00
5,000.00	St. Maurice Power Corp., 1st Mortgage Sinking Fund Series "B" 4½%, 1945/70 .....	5,050.00
5,000.00	United Gas and Fuel Co. of Hamilton, Ltd., 1st Mortgage Sinking Fund 5½%, 1948 or earlier .....	5,250.00
5,000.00	United Grain Growers, Ltd., 1st Mortgage Sinking Fund Series "A" 5%, 1948 or earlier .....	4,850.00
25,000.00	Shawinigan Water & Power Co. 4½%, 1938/70 .....	26,750.00
20,000.00	Canadian Pacific Railway Convertible 3½%, 1951 .....	18,000.00
\$351,000.00		\$346,230.00

## STOCKS

90 Shares	International Milling Co. Cumulative Sinking Fund 5%, First Preferred—par value \$100.00 .....	\$10,350.00
50 Shares	Goodyear Tire & Rubber Co. of Canada, Ltd. Cumulative Redeemable, Preferred, 5%—par value \$50.00 .....	2,750.00
185 Shares	Loblaw Groceries Co., Ltd. Preferred "A" .....	4,995.00
20 Shares	Maple Leaf Milling Co. "A" Preferred .....	120.00
25 Shares	McColl Frontenac Oil Co., Ltd. 6%, par value \$100.00 .....	2,400.00
25 Shares	Moore Corporation, Ltd. "A" Preferred 7%, par value \$100.00 .....	4,500.00
50 Shares	Southern Canada Power Co. 6%, par value \$100.00 .....	5,200.00
100 Shares	British American Oil Co., Ltd. ....	1,800.00



# THE CANADIAN SURETY COMPANY—Continued

STOCKS—Continued		DEPARTMENT VALUES
200 Shares	Canadian Pacific Railway Stock, par value \$25.00 . . . . .	\$ 1,000.00
100 Shares	Montreal Light, Heat & Power Cons. . . . .	2,900.00
60 Shares	Consolidated Paper Corp., Ltd. (non assessable, no par) . . . . .	240.00
100 Shares	Bell Telephone Co. of Canada . . . . .	15,700.00
20 Shares	Canadian Bank of Commerce . . . . .	3,040.00
20 Shares	Dominion Bank . . . . .	3,720.00
20 Shares	Imperial Bank of Canada . . . . .	3,980.00
20 Shares	Bank of Toronto . . . . .	4,800.00
85 Shares	Noranda Mines, Ltd. . . . .	5,015.00
		<hr/> \$72,510.00

DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT		
\$10,000.00	Canada Permanent Trust Co. 3½%, 1944 . . . . .	\$10,000.00
5,000.00	Toronto General Trusts Corp. 3½%, 1945 . . . . .	5,000.00
10,000.00	Toronto General Trusts Corp. 3½%, 1944 . . . . .	10,000.00
5,000.00	Trusts and Guarantee Co. 3¾%, 1944 . . . . .	5,000.00
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\$30,000.00		\$30,000.00

RECAPITULATION		
\$ 880,580.00	Government Bonds . . . . .	\$ 897,956.40
267,906.12	Municipal Bonds . . . . .	260,337.25
29,346.29	School Bonds . . . . .	30,900.14
351,000.00	Miscellaneous Bonds . . . . .	346,230.00
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\$1,528,832.41		\$1,535,623.79
	Stocks . . . . .	72,510.00
	Deposits with Trust Companies for Investment . . . . .	30,000.00
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GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY  
COMPANY . . . . . \$1,638,133.79

NOTE: Securities are stated at values established by the Insurance Department for the Dominion of Canada.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. 5½%, 1949.....	\$ 10,250.00
10,000	American Power & Light Company Deb. 6%, 2016.....	10,487.50
25,000	Baltimore & Ohio Secured Notes 4%, 1944.....	13,500.00
10,000	Baltimore & Ohio R. R. Conv. 4½%, 1960.....	1,487.50
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" 5%, 1975..	1,000.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" 4¾%, 1949....	325.00
10,000	Chicago, Rock Island & Pacific Ry. Co. Conv. 4½%, 1960.....	75.00
25,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	12,562.50
10,000	Erie R. R. Company Ref. & Imp. 5%, 1967.....	1,825.00
P 88,000	Mexican Federal Government Exterior 5%, 1945 Assented.....	2,640.00
P 50,993	Mexican Federal Government Bonds de Caminos.....	9,366.14
P300,000	Mexican Federal Government Interior Consol. 3%, 1925.....	7,959.18
P 1,100	Mexican Federal Government Interior Debt 5%.....	31.43
10,000	New Orleans Public Service 1st & Ref. Mtge. Series "B" 5%, 1955....	10,512.50
10,000	Queensboro Gas & Electric Co. Conv. Deb. Series "A" 5½%, 1952....	8,750.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" 4½%, 1978 (Ctf. of Deposit).....	950.00
20,000	Southern Pacific Company 4½%, 1969.....	8,050.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" 5%, 1977.....	6,225.00
P106,800	United Shoe & Leather Company 5%, 1941.....	17,436.73
10,000	Virginia & Southwestern Ry. Co. 1st Cons. 5%, 1958.....	6,500.00
10,000	Wabash Ry. Company Ref. & Gen. Series "B" 5%, 1976.....	825.00
STOCKS		
200 Shares	Banco Nac. Hipotecario Urbano y de Obras Públicas.....	3,265.31
84 Shares	Commonwealth & Southern Corporation Preferred.....	4,305.00
600 Shares	Lehigh Valley Coal Corporation Preferred.....	2,400.00
1 Share	Mexico City Country Club.....	1,020.41
200 Shares	The United Corporation Cumulative Preference.....	5,650.00
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		\$147,399.20

NOTE: Securities are valued at actual market value as of December 31, 1940.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## STOCKS

		MARKET VALUE
25 Shares	Canadian Surety Company . . . . .	\$ 4,000.00
100 Shares	Engineers Public Service Co. 5% Convertible Preferred . . . . .	6,587.50
1,000 Shares	International Paper & Power Co. 5% Cum. Convertible Preferred . .	66,500.00
1,000 Shares	International Paper & Power Co. Common . . . . .	14,750.00
600 Shares	Lehigh Valley Coal Corporation Preferred . . . . .	2,400.00
9 Shares	Title Guaranty & Surety Company . . . . .	90.00
200 Shares	United Corporation Common . . . . .	275.00
		<hr/> \$94,602.50

NOTE: Securities are valued at actual market value as of December 31, 1940.

## BRANCH OFFICES

### BY STATES

<i>State</i>	<i>Address</i>	<i>Manager</i>
ALABAMA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
ARIZONA.....	510 So. Spring Street, Los Angeles, Calif.....	A. I. Zimmerman
ARKANSAS.....	14 South Main Street, Memphis, Tenn.....	H. F. Sharman
CALIFORNIA		
Northern.....	340 Pine Street, San Francisco, Calif.....	R. D. Weldon
Southern.....	510 So. Spring Street, Los Angeles, Calif.....	A. I. Zimmerman
COLORADO.....	17th & Welton Streets, Denver, Colo.....	D. L. Clark
CONNECTICUT.....	410 Asylum Street, Hartford, Conn.....	G. E. Schreck
DELAWARE.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
DISTRICT OF COLUMBIA.....	15th & H Streets, N. W., Washington, D. C.....	L. Bert Nye
FLORIDA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
GEORGIA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
IDAHO.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
ILLINOIS		
Northern.....	175 W. Jackson Boulevard, Chicago, Ill.....	J. L. Machle
Southern.....	506 Olive Street, St. Louis, Mo.....	O. L. Kincheloe
INDIANA		
N. W. portion.....	175 W. Jackson Boulevard, Chicago, Ill.....	J. L. Machle
Except N. W.....	108 No. Pennsylvania Street, Indianapolis, Ind.....	T. W. King
IOWA.....	S. W. cor. W. 6th & Locust Streets, Des Moines, Iowa.....	F. H. Noble
Council Bluffs.....	16th & Farnam Streets, Omaha, Nebr.....	J. D. Frazee
KANSAS.....	S. W. 10th & Walnut Streets, Kansas City, Mo.....	W. R. Evans
KENTUCKY		
10 northern counties.....	Fourth & Walnut Streets, Cincinnati, Ohio.....	E. H. Schier
Southern.....	136 So. Fourth Street, Louisville, Ky.....	L. Y. Johnson
LOUISIANA.....	Gravier & St. Charles Streets, New Orleans, La.....	L. P. McGee
MAINE.....	89 Broad Street, Boston, Mass.....	F. B. Hammond
MARYLAND		
Eastern.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
Western.....	15th & H Streets, N. W., Washington, D. C.....	L. Bert Nye
MASSACHUSETTS.....	89 Broad Street, Boston, Mass.....	F. B. Hammond
MICHIGAN		
14 counties in northern peninsula.....	324 E. Wisconsin Avenue, Milwaukee, Wis.....	A. H. Edwards
Southern.....	Woodward Ave. & Cadillac Square, Detroit, Mich.....	L. C. Minor
MINNESOTA.....	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.....	W. M. Creer
MISSISSIPPI		
Northern.....	14 So. Main Street, Memphis, Tenn.....	H. F. Sharman
Southern.....	Gravier & St. Charles Streets, New Orleans, La.....	L. P. McGee
MISSOURI		
Eastern.....	506 Olive Street, St. Louis, Mo.....	O. L. Kincheloe
Western.....	S. W. 10th & Walnut Streets, Kansas City, Mo.....	W. R. Evans
MONTANA.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
NEBRASKA.....	16th & Farnam Streets, Omaha, Nebr.....	J. D. Frazee

# BRANCH OFFICES—Continued

<i>State</i>	<i>Address</i>	<i>Manager</i>
NEVADA	340 Pine Street, San Francisco, Calif.	R. D. Weldon
2 counties in central portion	N. E. cor. Main & Second South Sts., Salt Lake City, Utah	W. D. Habish
NEW HAMPSHIRE	89 Broad Street, Boston, Mass.	F. B. Hammond
NEW JERSEY		
Northern	744 Broad Street, Newark, N. J.	H. N. Hutchinson
Southern	Broad & Chestnut Streets, Philadelphia, Pa.	W. G. Keating
NEW MEXICO	17th & Welton Streets, Denver, Colo.	D. L. Clark
NEW YORK		
Metropolitan District	80 John Street, New York, N. Y.	{ M. L. Jenks, V. P. W. R. Ehrmantraut
Metropolitan District (New York Casualty Co.)	26 Cliff Street, New York, N. Y.	A. Schneider
Long Island	185 Montague Street, Brooklyn, N. Y.	E. D. Sadler
Eastern	100 State Street, Albany, N. Y.	E. A. Mooney
Central	310 Onondaga County Savings Bank Bldg., Syracuse, N. Y.	A. B. Fuller
Monroe County	19 Main Street, West, Rochester, N. Y.	J. W. Wood
Western	422 Main Street, Buffalo, N. Y.	H. L. Hart
NORTH CAROLINA	15th & H Streets, N. W., Washington, D. C.	L. Bert Nye
NORTH DAKOTA	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.	W. M. Creer
OHIO		
Northeastern	1621 Euclid Avenue, Cleveland, Ohio	H. F. De Land
Northwestern	Summit Street & Madison Avenue, Toledo, Ohio	C. S. Maxson
Southern	Fourth & Walnut Streets, Cincinnati, Ohio	E. H. Schier
Middle	17 So. High Street, Columbus, Ohio	C. W. McNeil
OKLAHOMA	Main at Robinson Street, Oklahoma City, Okla.	H. J. Roleke
OREGON	705 Second Avenue, Seattle, Wash.	K. F. Warrack
PENNSYLVANIA		
Eastern	Broad & Chestnut Streets, Philadelphia, Pa.	W. G. Keating
Western	310 Grant Street, Pittsburgh, Pa.	A. A. Rohrich
Northeastern	321 Spruce Street, Scranton, Pa.	P. J. MacDonough
RHODE ISLAND	15 Westminster Street, Providence, R. I.	R. Buss
SOUTH CAROLINA	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.	A. O. Davis
SOUTH DAKOTA	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.	W. M. Creer
TENNESSEE		
Eastern and Middle	136 So. Fourth Street, Louisville, Ky.	L. Y. Johnson
Western	14 So. Main Street, Memphis, Tenn.	H. F. Sharman
TEXAS	1200 Commerce Street, Dallas, Texas.	E. A. Teague
UTAH	N. E. cor. Main & Second South Sts., Salt Lake City, Utah	W. D. Habish
VERMONT	89 Broad Street, Boston, Mass.	F. B. Hammond
VIRGINIA	15th & H Streets, N. W., Washington, D. C.	L. Bert Nye
WASHINGTON	705 Second Avenue, Seattle, Wash.	K. F. Warrack
WEST VIRGINIA		
Southern and Middle	Fourth & Walnut Streets, Cincinnati, Ohio	E. H. Schier
Northwestern	310 Grant Street, Pittsburgh, Pa.	A. A. Rohrich
Northeastern	15th & H Streets, N. W., Washington, D. C.	L. Bert Nye
WISCONSIN	324 E. Wisconsin Avenue, Milwaukee, Wis.	A. H. Edwards
WYOMING	17th & Welton Streets, Denver, Colo.	D. L. Clark



AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following classes of Bonds*

FIDELITY

DISCOVERY

(Full time fidelity protection)

PUBLIC OFFICIAL

FEDERAL OFFICIAL

FORGERY

BANKERS' BLANKET

BROKERS' BLANKET

BUILDING AND LOAN BLANKET

SAVINGS AND LOAN BLANKET

RAILROAD BLANKET

COMMERCIAL BLANKET

BLANKET POSITION

SECURITIES FORGERY

GUARDIAN

ADMINISTRATORS

EXECUTORS

RECEIVERS AND TRUSTEES

OTHER FIDUCIARY AND PROBATE

COURT OR JUDICIAL

CONTRACT BID

CONTRACT PERFORMANCE

LICENSE, FRANCHISE AND PERMIT

CUSTOMS AND INTERNAL REVENUE

LOST SECURITY

MISCELLANEOUS SURETY

AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines of Casualty Insurance*

AUTOMOBILE BODILY INJURY AND PROPERTY DAMAGE  
AUTOMOBILE COLLISION  
ACCOUNTANTS LIABILITY  
(Not written by New York Casualty Company)  
AVIATION  
BANK BURGLARY AND ROBBERY  
MERCANTILE SAFE BURGLARY  
INTERIOR ROBBERY  
MESSENGER AND PAYMASTER ROBBERY  
RESIDENCE BURGLARY, ROBBERY, THEFT AND LARCENY  
SAFE DEPOSIT BOX BURGLARY AND ROBBERY  
SAFE DEPOSITORY LIABILITY  
STOREKEEPERS' AND OFFICE BURGLARY AND ROBBERY  
ALL RISK INSURANCE ON MONEY AND SECURITIES  
PLATE GLASS  
PUBLIC LIABILITY AND PROPERTY DAMAGE  
CONTRACTUAL  
ELEVATOR  
MANUFACTURERS' AND CONTRACTORS'  
OWNERS' OR CONTRACTORS' PROTECTIVE  
PRODUCT  
TEAMS  
OWNERS', LANDLORDS', AND TENANTS'  
COMPENSATION  
EMPLOYERS' LIABILITY  
GOLF AND GAMES  
OTHER CASUALTY LINES  
COMPREHENSIVE DISHONESTY, DISAPPEARANCE AND DESTRUCTION









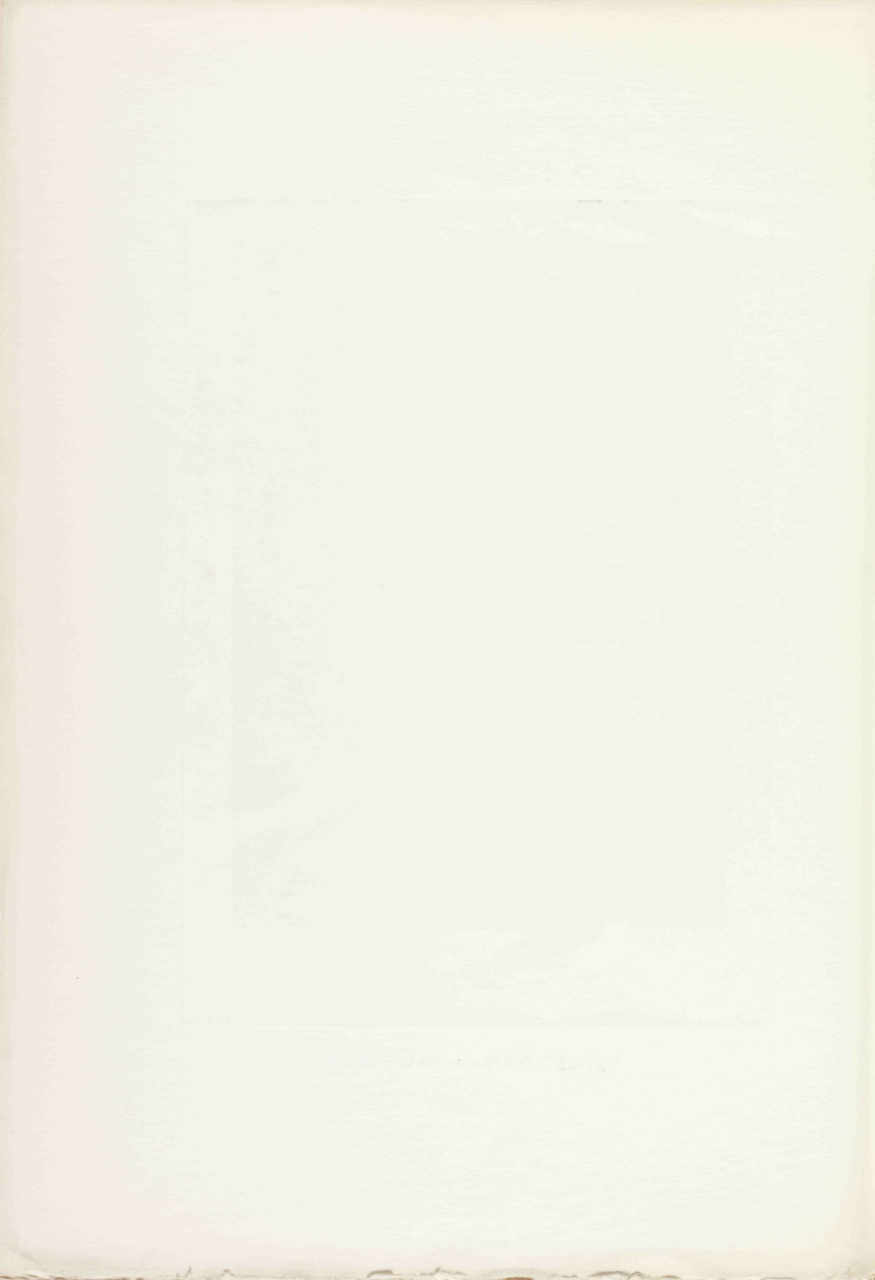
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AMERICAN SURETY COMPANY  
*of* New York



REPORT OF THE PRESIDENT  
*for* 1941









REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK

100 BROADWAY • NEW YORK, N. Y.



FOR THE YEAR ENDED  
DECEMBER 31, 1941

AMERICAN SURETY COMPANY  
OF NEW YORK

BOARD OF TRUSTEES

JOSEPH F. ABBOTT  
GEORGE A. ANDERSON  
NEWCOMB CARLTON  
FANNIN W. CHARSKE  
WILLIAM E. HALL  
HENRY O. HAVEMEYER  
F. COIT JOHNSON  
JOHN L. KEMMERER  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
JAMES T. LEE

JEREMIAH T. MAHONEY  
W. E. MCKELL  
JEREMIAH MILBANK  
LEWIS H. PARRY  
HARPER SIBLEY  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
JOHN SLOANE  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
ALBERT H. WIGGIN

BRONSON WINTHROP

OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

A. F. LAFRENTZ  
*President*

W. M. TOMLINS, JR.  
*First Vice-President*

*Vice-Presidents*

W. H. BENNEM  
D. H. COOK  
H. P. DUNHAM  
J. E. GIBBONS  
R. B. HAMILTON  
M. L. JENKS

W. E. MCKELL  
L. S. MOORE  
G. L. NAUGHT  
F. J. PARRY  
LEWIS H. PARRY  
E. F. WATSON

C. H. HALL  
*Secretary*

WILLIAM GOETZ  
*Treasurer*

A. A. NELSON  
*Comptroller*

## NEW YORK CASUALTY COMPANY

### BOARD OF DIRECTORS

ARCHIBALD S. ALEXANDER  
C. C. AUCHINCLOSS  
GOODWIN B. BEACH  
J. FRANK CLANCY

STEPHEN V. DUFFY  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
PERCY C. MAGNUS  
W. E. MCKELL

THOMAS H. ROULSTON  
W. M. TOMLINS, JR.  
CARY D. WATERS  
FREDERIC T. WOOD

### OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*  
C. H. HALL  
*Secretary*

W. E. MCKELL  
*President*  
WILLIAM GOETZ  
*Treasurer*

W. M. TOMLINS, JR.  
*First Vice-President*  
A. A. NELSON  
*Comptroller*

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## THE CANADIAN SURETY COMPANY

### BOARD OF DIRECTORS

JOHN B. ALEXANDER  
C. S. BAND  
M. A. BRADSHAW  
D. H. COOK

F. W. LAFRENTZ  
A. F. LAFRENTZ  
ARNOLD C. MATTHEWS

W. DONALD MATTHEWS  
PAUL J. MYLER  
F. GORDON OSLER  
F. J. PARRY

### OFFICERS

F. GORDON OSLER  
*Chairman of the Board*

A. F. LAFRENTZ  
*President*

JOHN B. ALEXANDER  
*Vice-Pres. & Gen. Mgr.*

GEORGE F. GREGORY  
*Secretary*

E. C. TYRRELL  
*Treasurer*

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## CIA. MEXICANA DE GARANTIAS, S. A.

### BOARD OF DIRECTORS

LEWIS H. PARRY  
LIC. FLAVIO GONZÁLEZ

F. W. LAFRENTZ  
A. F. LAFRENTZ  
W. M. TOMLINS, JR.

JOSÉ MARÍA RAZ  
A. R. DOBSON

Alternates: JOSÉ A. ZEVADA    LUIS G. ACUÑA

### OFFICERS

LEWIS H. PARRY  
*President*

LIC. FLAVIO GONZÁLEZ  
*Vice-President*

JOSÉ A. ZEVADA  
*Manager*

I. ALMEIDA  
*Secretary*

H. F. AHLSCHEER  
*Accountant*

ENRIQUE ESNAURRIZAR  
*Treasurer*



# COMPARATIVE FINANCIAL STATEMENT AMERICAN SURETY COMPANY OF NEW YORK

DECEMBER 31

	ADMITTED ASSETS		Increase	Decrease
	1941	1940		
Real Estate.....	\$ 8,235,000.00	\$ 8,235,000.00		
*Bonds.....	7,030,799.95	4,271,073.36	\$2,759,726.59	
*Stocks.....	6,658,008.72	6,561,467.37	96,541.35	
Premiums in Course of Collection (less Reinsurance Payable and Premiums and Agents' Balances more than Ninety days due)	2,023,056.12	1,815,411.23	207,644.89	
Cash in Banks and Offices...	4,778,980.84	5,919,935.27		\$1,140,954.43
Reinsurance and Other Accounts Receivable....	239,953.60	270,354.88		30,401.28
Interest and Rents Due and Accrued.....	41,542.43	34,089.88	7,452.55	
	<u>\$29,007,341.66</u>	<u>\$27,107,331.99</u>	<u>\$1,900,009.67</u>	
LIABILITIES				
Capital Stock.....	\$ 7,500,000.00	\$ 7,500,000.00		
Surplus and Undivided Profits Reserve for Unearned Premiums.....	6,461,040.36	5,901,923.22	\$ 559,117.14	
Reserve for Reported Losses.	6,632,192.75	6,358,547.10	273,645.65	
Reserve for Unreported Losses:	4,387,353.67	3,949,554.15	437,799.52	
Allocated to Specific Lines	1,105,000.00	1,105,000.00		
Allocated to Losses due from Companies not authorized in the State of New York.....	50,750.04	104,401.32		\$ 53,651.28
Unallocated (Voluntary).	351,995.52	370,924.10		18,928.58
Reserve for Expenses, Taxes and other Liabilities....	1,189,546.11	1,106,982.10	82,564.01	
Reserve for Depreciation—H. O. Building.....	735,000.00	335,000.00	400,000.00	
Dividend Payable—January 2, 1942.....	375,000.00	375,000.00		
**Voluntary Reserve.....	210,440.12		210,440.12	
Reserve for Fluctuation of Canadian Exchange.....	9,023.09		9,023.09	
	<u>\$29,007,341.66</u>	<u>\$27,107,331.99</u>	<u>\$1,900,009.67</u>	

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies which are carried at less than their book value.

\*\*Voluntary reserve represents the difference between value of all securities carried in assets (except stocks of subsidiary companies) and their December 31, 1941, market value.

January 20, 1942.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1941 (in the fifty-eighth year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$13,829,803.53	(Increase \$439,174.78)
Less Reinsurance Ceded.....	2,653,633.13	(Decrease 195,749.59)
Net Premiums Written.....	11,176,170.40	(Increase 634,924.37)
Increase in Unearned Premium Reserve.....	273,645.65	(Increase 107,754.88)
Earned Premiums.....	10,902,524.75	(Increase 527,169.49)
From Home Office Building—		
Rents Less Operating Cost.....	342,900.44	(Decrease 13,770.85)
From Securities—Interest and Dividends.....	558,248.80	(Increase 118,457.44)
TOTAL INCOME.....	\$11,803,673.99	(Increase 631,856.08)
OUTGO:		
For Operating Expenses Paid.....	\$ 3,895,467.82	(Increase 210,504.20)
For Claim Expenses Paid.....	634,606.71	(Decrease 3,810.94)
For Investment Expenses.....	42,274.78	(Decrease 1,848.31)
For Commissions Paid.....	1,916,830.07	(Increase 194,006.46)
For Taxes Paid.....	392,300.45	(Decrease 277,616.40)
For Losses Incurred.....	\$3,455,628.04	(Decrease 242,584.24)
Less Cash Salvage.....	808,581.03	(Increase 45,989.43)
Net Losses Incurred.....	2,647,047.01	(Decrease 288,573.67)
TOTAL OUTGO.....	\$ 9,528,526.84	(Decrease 167,338.66)
EXCESS OF INCOME OVER OUTGO.....		\$2,275,147.15
(Increase of \$799,194.74)		
Deduct—Increase in:		
Reserve for Overdue Premiums.....	\$ 20,503.28	
Reserve for Expenses and Taxes.....	75,222.41	
Reserve for Depreciation of Building.....	100,000.00	
Additional Statutory Loss Reserve..	135,000.00	
Agents' Balances Charged Off—Net.....	\$ 330,725.69	
	2,998.69	
		333,724.38
Investment Income and Underwriting Profit Less Reserves.....		\$1,941,422.77

[ page three ]

Brought Forward.....		\$1,941,422.77
Add:		
Transfer from Special Reserves.....		63,556.77
		<u>2,004,979.54</u>
Deduct:		
Loss from Sales of Securities.....	\$2,066,024.07	
Less depreciation taken prior to January 1,		
1941, on same.....	2,058,548.00	7,476.07
		<u>381,681.89</u>
Depreciation of Unsold Securities.....		381,681.89
Loss from Foreign Exchange.....		6,704.44
Transfer to Reserve for Depreciation of Home Office Building		
in Addition to Annual Provision.....	300,000.00	695,862.40
		<u>1,309,117.14</u>
Dividends Declared.....		750,000.00
		<u>559,117.14</u>
Added to Surplus.....		559,117.14
Surplus January 1, 1941.....		<u>5,901,923.22</u>
Surplus December 31, 1941.....		<u>\$6,461,040.36</u>

The operations for the year may be summarized as follows:

Net Underwriting Profit.....	\$1,182,548.31
Net Investment Income after Deducting \$100,000	
for Depreciation of Home Office Building.....	<u>758,874.46</u>

Total.....	\$1,941,422.77
------------	----------------

Deductions:

Loss from Sale of Securities—Net after Depreci-		
ation.....	7,476.07	
Depreciation in Value of Unsold Securities.....	381,681.89	
Loss from Foreign Exchange.....	6,704.44	
Transfer to Reserve for Depreciation of Home		
Office Building in Addition to Annual Provision	300,000.00	
	<u>695,862.40</u>	
Less—Transfer from Special Reserve.....	63,556.77	632,305.63
	<u>1,309,117.14</u>	
Balance.....		1,309,117.14
Of which the Stockholders Received in Dividends	750,000.00	
and there was Transferred to Surplus and Undi-		
vided Profits.....	<u>559,117.14</u>	<u>\$1,309,117.14</u>

Net Premiums Written of \$11,176,170.40 exceeded the writings of any previous year in the Company's fifty-eight years of operation. Increases were recorded in all lines with the exception of Fidelity and



Forgery. The decrease in Fidelity premiums was occasioned by substantial reductions in premium rates.

Income from Home Office Building was \$13,770.85 less than was reported in 1940. This decline was due to a decrease in Gross Rent Received of \$6,131.18 plus a net increase in Operating Expenses and Taxes of \$7,639.67.

Interest and Dividends Received increased \$118,457.44. Interest amounted to \$125,056.47 and Dividends \$433,192.33 of which \$175,304.71 was received from subsidiary companies as follows:

New York Casualty Company .....	\$ 49,975.00
Canadian Surety Company .....	34,869.00
Compania Mexicana de Garantias, S. A. ....	50,460.71
Amsuco Securities Company .....	<u>40,000.00</u>
Total .....	<u>\$175,304.71</u>

On December 24, 1941, a Cost of Living Bonus was paid to employees receiving salaries not exceeding \$10,000.00 per annum at the rate of 6% on the first \$2,500.00 of annual salary and 4% on the next \$2,500.00 of annual salary. This distribution accounted for \$127,393.26 of the increase in Operating Expenses Paid. The balance of the increase, \$83,110.94, was due principally to an increase in Salaries Paid.

Commissions Paid advanced \$194,006.46 which is accounted for by an increase in premiums written and premiums collected in 1941 as compared with the year 1940.

The reduction in Taxes Paid of \$277,616.40 was brought about by a decrease in Federal Income Tax of \$292,190.39 less an increase in Premium and Other Taxes of \$14,573.99.

Losses Incurred declined \$242,584.24 and Salvage Collected increased \$45,989.43, a reduction in Net Losses Incurred of \$288,573.67. Because the statutory reserves for Liability and Workmen's Compensation Losses exceeded the case estimates an additional \$135,000.00 was added to these reserves.

During the year the sale of certain securities resulted in a loss of \$2,066,024.07 based on cost and a deduction from Federal Taxable Income of \$1,961,503.32. These securities had been depreciated in prior years to the extent of \$2,058,548.00, leaving \$7,476.07 charged to the operations of 1941. Provision was also made for the difference of \$381,681.89 between the book value and the actual market value of listed securities held as of December 31, 1941.

In addition to the annual provision of \$100,000.00 for building depreciation, \$300,000.00 was charged to operations and credited to Reserve for Depreciation of Home Office Building.

Two semi-annual dividends of \$1.25 per share were declared, \$375,000.00 was paid July 1, 1941, and \$375,000.00 January 2, 1942.

Detailed Revenue Accounts of the Company's four subsidiary companies for the year 1941 are submitted with this report.

The Net Underwriting Profit and Investment Income of each of these companies were as follows:

New York Casualty Company .....	\$315,230.95
Canadian Surety Company .....	93,559.36
Compania Mexicana de Garantias, S. A. ....	100,533.83
Amsuco Securities Company .....	<u>27,005.88</u>
Total .....	<u>\$536,130.02</u>

Consolidated Net Underwriting Profit and Investment Income of the Company and its subsidiaries was:

Underwriting Profit .....	\$1,456,621.07
Investment Income excluding inter-company dividends .....	<u>845,552.01</u>
Total Consolidated Net Earnings .....	2,302,173.08
Deduct:	
Earnings applicable to minority stockholders of subsidiary companies .....	<u>11,957.67</u>
Net Earnings applicable to stockholders of American Surety Company .....	<u>\$2,290,215.41</u>



As of December 31, 1941, Total Admitted Assets amounted to \$29,007,341.66, an increase over the previous year-end of \$1,900,009.67.

Unencumbered Real Estate—land and twenty-three story office building located at 100 Broadway, New York City—was stated at \$8,235,000.00, the value established by appraisal April 7, 1939. However, a Reserve for Depreciation of \$735,000.00 was carried which reduced the net value to \$7,500,000.00. This property is assessed at \$7,650,000.00 and at the present time the building including the space occupied by the Company is 93 $\frac{1}{4}$ % rented.

Securities Owned were valued at \$13,688,808.67; amortizable bonds at amortized values; other bonds and stocks except stocks of subsidiary companies at values established by the Insurance Department of the State of New York; stocks of subsidiaries at cost which was \$1,495,870.46 less than their aggregate book value. Compared with December 31, 1940, the bond portfolio increased \$2,759,726.59. Practically this entire increase represented a further investment in short-term U. S. Government and U. S. Government guaranteed bonds and notes. During the year the Company acquired 50 shares of stock of The Canadian Surety Company and 25 shares of stock of the Compania Mexicana de Garantias, S. A. The Company now owns 4,368 shares of a total of 5,000 shares of the Canadian company and the entire outstanding stock, 5,000 shares, of the Mexican company.

The amortized value of amortizable bonds and the Insurance Department values of other listed securities exceeded the actual market value of such securities to the extent of \$210,440.12 at December 31, 1941. Accordingly a Voluntary Reserve was set up to reduce the value of securities to actual market.

Premiums in Course of Collection considered good and collectible totaled \$2,328,614.70. In accordance with Insurance Department requirements premiums due more than ninety days amounting to \$162,855.89 were deducted therefrom.

Large cash balances were maintained throughout the year. The total amount of Cash in Banks and Offices at the close of the year was \$4,778,980.84.

The year-end Reserve for Unearned Premiums stood at \$6,632,192.75 which equaled 60% of the net premium writings for 1941.

The Reserve of \$4,387,353.67 for Reported Losses was considered adequate to discharge the Company's liability for all unsettled claims of which it had knowledge. To provide for Unreported Losses the Company maintained a reserve of \$1,507,745.56.

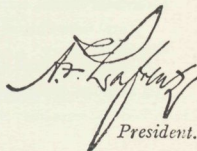
Provision was made for Expenses, Taxes and Other Liabilities amounting to \$1,189,546.11 accrued but not due at the close of the year.

Insurance companies are of great assistance to the Government in its all-out National Defense effort, the primary purpose of which is of course to produce the necessary materials for the successful prosecution of the war. Therefore, the prevention of industrial accidents, which is one of the most important services rendered by a casualty insurance company, is of tremendous importance to this program. In the selection of responsible contractors for the manufacture of supplies and the construction of facilities, the surety companies are of material assistance to the Government by reason of the companies' knowledge and investigation of the contractors' ability and experience, organization, equipment, and finances. These facilities have been placed at the disposal of the Government and it can be safely said that the entire Casualty and Surety industry is doing a job of which it can be justly proud.

Every member of our staff both at home and abroad is to be commended for their splendid work and for their loyalty and devotion to the Company's interests. The results of the past year were due to their effort for which I desire to record my appreciation.

For the support and wise counsel I have received from the members of the Board of Trustees and its various committees I am sincerely grateful.

Respectfully submitted,

  
President.

## GENERAL INFORMATION

There were presented to us during 1941:

		Comparison with Preceding Year
Fidelity Claims . . . . .	690	Decrease of 320
Blanket Bond Claims . . . . .	2,221	Decrease of 116
Official Claims . . . . .	322	Increase of 17
Surety Claims . . . . .	359	Decrease of 83
Burglary Claims . . . . .	458	Decrease of 19
Forgery Claims . . . . .	261	Increase of 18
Plate Glass Claims . . . . .	1,467	Decrease of 144
Auto Liability Claims . . . . .	2,087	Increase of 103
Auto Property Damage Claims . . . . .	8,011	Increase of 1,067
Auto Collision Claims . . . . .	72	Increase of 36
Miscellaneous Liability Claims . . . . .	1,950	Decrease of 235
Miscellaneous Property Damage & Collision Claims . . . . .	431	Increase of 32
Workmen's Compensation Claims . . . . .	10,906	Decrease of 1,001
Total . . . . .	29,235	Decrease of 645

## LOSS RATIOS

Fidelity and Surety Claims Paid to Net Premiums . . . . .	{ Year 1941 . . . 10.35 Entire Period . . . 27.62
Burglary and Forgery Claims Paid to Net Premiums . . . . .	{ Year 1941 . . . 12.26 Entire Period . . . 30.89
Plate Glass Claims Paid to Net Premiums . . . . .	{ Year 1941 . . . 34.29 Entire Period . . . 35.08
Other Casualty Claims Paid to Net Premiums . . . . .	{ Year 1941 . . . 38.61 Entire Period . . . 37.49

The Company has an agency organization consisting of 40 Branch and Service Offices on a salary basis, and 10,128 Agents and Attorneys on a commission basis.

During the life of the Company it has enjoyed a	
Net Premium Income of . . . . .	\$264,004,505.78
Its Net Paid Losses were . . . . .	76,151,785.55
And Its Expenses were . . . . .	162,954,945.13
Leaving an excess from underwriting, subject to Reserves, of . . . . .	24,897,775.10
Which is equivalent to 9.43 % of the Net Premium Income.	
Income from Investments . . . . .	27,367,901.77
Our Stockholders have received in Cash Dividends . . . . .	26,637,350.50

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1941

ADMITTED ASSETS

Real Estate.....		\$ 8,300,108.47
†Bonds, Stocks and Debentures.....		16,304,856.04
Premiums and Agents' Balances in Course of Collection.....	\$3,508,849.20	
Less Reinsurance Payable.....	<u>206,835.27</u>	\$3,302,013.93
Less Premiums and Agents' Balances more than Ninety Days due.....		<u>270,976.33</u>
		3,031,037.60
Cash.....		7,036,890.64
Real Estate Mortgage and other Secured Loans.....		796,560.98
Reinsurance and other Accounts Receivable.....		326,849.23
Interest and Rents Due and Accrued.....		<u>83,571.81</u>
		\$35,879,874.77

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share).....		\$ 7,500,000.00
Surplus and Undivided Profits.....		7,956,910.82
Legal Fund Provision—Mexico.....		34,013.60
Minority Interest in Subsidiary Companies.....		142,719.25
Reserve for Unearned Premiums.....		9,000,534.05
Reserve for Reported Losses.....		6,057,623.49
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$1,510,000.00	
Allocated to Losses due from Companies not authorized in the State of New York.....		<u>50,750.04</u>
Unallocated (Voluntary).....	<u>364,100.80</u>	1,924,850.84
Reserve for Expenses, Taxes and Other Liabilities.....		1,699,285.37
Reserve for Depreciation—Home Office Building.....		735,000.00
Dividend Payable—January 2, 1942.....		375,000.00
*Voluntary Reserve.....		321,782.35
**Reserve for Fluctuation of Canadian Exchange.....		<u>132,155.00</u>
		\$35,879,874.77

\*Represents the difference between the value of all securities in assets and their December 31, 1941, value, with the exception of the securities owned by The Canadian Surety Company which are adjusted to actual cost.

\*\*Adjusts the value of Net Assets in the Dominion of Canada to the Current Rate of Exchange.

†Securities carried at \$2,402,774.63 in the above statement and cash amounting to \$183,735.62 are deposited for purposes required by law and in connection with foreign reinsurance contracts.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1941

## ADMITTED ASSETS

Real Estate.....			\$ 8,235,000.00
Home Office Premises Unencumbered (Appraised by New York Insurance Department April 7, 1939.)			
*Securities:			
Bonds.....	\$7,030,799.95		
Preferred Stocks.....	1,011,444.00		
Common Stocks.....	5,646,564.72	13,688,808.67	
Premiums in Course of Collection.....	\$2,328,614.70		
Less Reinsurance Payable.....	142,702.69	2,185,912.01	
Less Premiums more than Ninety Days due.....		162,855.89	2,023,056.12
Cash in Banks and Offices.....			4,778,980.84
Reinsurance and other Accounts Receivable.....			239,953.60
Interest and Rents Due and Accrued.....			41,542.43
			<u>\$29,007,341.66</u>

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share).....		\$ 7,500,000.00
Surplus and Undivided Profits.....		6,461,040.36
Reserve for Unearned Premiums.....		6,632,192.75
Reserve for Reported Losses.....		4,387,353.67
Reserve for Unreported Losses:		
Allocated to Specific Lines.....	\$1,105,000.00	
Allocated to Losses due from Companies not authorized in the State of New York.....	50,750.04	
Unallocated (Voluntary).....	351,995.52	1,507,745.56
Reserve for Expenses, Taxes and Other Liabilities.....		1,189,546.11
Reserve for Depreciation—Home Office Building.....		735,000.00
Dividend Payable—January 2, 1942.....		375,000.00
**Voluntary Reserve.....		210,440.12
Reserve for Fluctuation of Canadian Exchange.....		9,023.09
		<u>\$29,007,341.66</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of Subsidiary Companies which are carried at less than their book value.

Securities carried at \$1,368,931.68 in the above statement are deposited for purposes required by law.

\*\*Voluntary reserve represents the difference between value of all securities carried in assets (except stocks of Subsidiary Companies) and their December 31, 1941, market value.



The revenue accounts of the NEW YORK CASUALTY COMPANY for the period under review show:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$4,216,556.55	(Increase \$890,415.94)
Less Reinsurance Ceded.....	630,073.04	(Increase 150,626.53)
Net Premiums Written.....	3,586,483.51	(Increase 739,789.41)
Increase in Unearned Premium Reserve.....	306,069.05	(Increase 276,286.19)
Earned Premiums.....	3,280,414.46	(Increase 463,503.22)
From Rents, Less Operating Costs (Loss).....	847.03	(Increase 210.30)
From Securities—Interest and Dividends.....	161,539.98	(Increase 3,905.29)
TOTAL INCOME.....	<u>\$3,441,107.41</u>	(Increase 467,618.81)
OUTGO:		
For Operating Expenses Paid.....	\$ 608,272.62	(Increase 43,750.94)
For Claim Expenses Paid.....	255,584.72	(Increase 18,377.16)
For Investment Expenses.....	10,448.83	(Increase 598.39)
For Commissions Paid.....	696,388.64	(Increase 81,546.72)
For Taxes Paid.....	95,005.21	(Decrease 44,131.25)
For Losses Incurred.....	\$1,425,689.80	(Increase 242,413.76)
Less Cash Salvage.....	102,463.16	(Increase 544.94)
Net Losses Incurred.....	1,323,226.64	(Increase 241,868.82)
TOTAL OUTGO.....	<u>\$2,988,926.66</u>	(Increase 342,010.78)
EXCESS OF INCOME OVER OUTGO.....		\$ 452,180.75
(Increase of \$125,608.03)		
INCREASE IN:		
Reserve for Overdue Premiums.....	\$ 32,616.35	
Additional Statutory Loss Reserve.....	30,000.00	
Reserve for Expenses and Taxes.....	68,189.99	\$ 130,806.34
Agents' Balances Charged Off—Net.....	6,143.46	136,949.80
Investment Income and Underwriting Profit Less Reserves.....		315,230.95
Add:		
Transfer from Special Reserves.....		13,520.22
		328,751.17
Deduct:		
Loss from Sales of Investments.....	345,887.29	
Less Depreciation taken Prior to January 1, 1941, on above.....	325,847.13	20,040.16
Depreciation of Unsold Securities.....	147,653.26	167,693.42
Dividend Declared.....		161,057.75
Added to Surplus.....		50,000.00
Surplus January 1, 1941.....		111,057.75
Surplus December 31, 1941.....		1,350,763.86
		<u>\$1,461,821.61</u>

# NEW YORK CASUALTY COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1941

## ADMITTED ASSETS

Mortgage Loans on Real Estate . . . . .			\$ 620,327.01
*Securities:			
Bonds . . . . .	\$1,778,297.33		
Stocks . . . . .	1,385,981.00	3,164,278.33	
Premiums in Course of Collection . . . . .	\$1,037,828.45		
Less Reinsurance Payable . . . . .	32,981.25	1,004,847.20	
Less Premiums more than Ninety Days due . . . . .	97,589.99	907,257.21	
Cash in Banks and Offices . . . . .		1,790,867.90	
Reinsurance and Other Accounts Receivable . . . . .		50,262.55	
Interest Due and Accrued . . . . .		17,302.85	
			<u>\$6,550,295.85</u>

## LIABILITIES

Capital Stock (40,000 Shares. Par Value \$25.00 per Share) . . . . .		\$1,000,000.00	
Surplus and Undivided Profits . . . . .		1,461,821.61	
Reserve for Unearned Premiums . . . . .		1,852,459.71	
Reserve for Reported Losses . . . . .		1,469,363.31	
Reserve for Unreported Losses:			
Allocated to Specific Lines . . . . .	\$ 300,000.00		
Unallocated (Voluntary) . . . . .	12,105.28	312,105.28	
Reserve for Expenses, Taxes and Other Liabilities . . . . .		392,450.69	
**Voluntary Reserve . . . . .		62,095.25	
			<u>\$6,550,295.85</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York.

Securities carried at \$675,172.95 in the above statement are deposited for purposes required by law.

\*\*Voluntary reserve represents the difference between value of all securities carried in assets and their December 31, 1941, market value.

The revenue accounts of THE CANADIAN SURETY COMPANY for the period under review show:

(Stated in Canadian Dollars)

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$858,122.65	(Increase \$82,385.26)
Less Reinsurance Ceded.....	159,149.16	(Increase 28,546.99)
Net Premiums Written.....	698,973.49	(Increase 53,838.27)
Increase in Unearned Premium Reserve.....	33,249.20	(Increase 11,171.41)
Earned Premiums.....	665,724.29	(Increase 42,666.86)
From Securities—Interest and Dividends.....	64,863.68	(Increase 2,597.75)
TOTAL INCOME.....	<u>\$730,587.97</u>	(Increase 45,264.61)
OUTGO:		
For Operating Expenses Paid.....	\$192,311.20	(Increase 8,260.18)
For Claim Expenses Paid.....	32,889.32	(Increase 1,283.43)
For Commissions Paid.....	155,123.30	(Increase 6,700.88)
For Taxes Paid.....	56,537.66	(Increase 23,571.87)
For Losses Incurred.....	\$208,434.22	(Decrease 10,309.30)
Less Cash Salvage.....	31,871.18	(Decrease 1,271.35)
Net Losses Incurred.....	176,563.04	(Decrease 9,037.95)
TOTAL OUTGO.....	<u>\$613,424.52</u>	(Increase 30,778.41)
EXCESS OF INCOME OVER OUTGO.....		\$117,163.45
(Increase \$14,486.20)		
INCREASE IN:		
Reserve for Expenses and Taxes.....	\$ 25,091.21	
DECREASE IN:		
Reserve for Overdue Premiums.....	1,280.83	
	23,810.38	
Less Agents' Balances Charged Off.....	6.29	23,804.09
Investment Income and Underwriting Profit less Reserves.....		93,359.36
Add:		
Profit on Sale of Securities.....		1,580.23
		94,939.59
Appreciation in Value of Securities.....	\$ 34,181.41	
Less Amount Transferred to Voluntary Reserve.....	34,181.41	0.00
Deduct:		
Dividends Paid.....		40,000.00
Added to Surplus.....		54,939.59
Surplus January 1, 1941.....		687,562.11
Surplus December 31, 1941.....		<u>\$742,501.70</u>

# THE CANADIAN SURETY COMPANY

## FINANCIAL STATEMENT, DECEMBER 31, 1941

(Stated in Canadian Dollars)

### ADMITTED ASSETS

*Bonds, Stocks and Debentures . . . . .		\$1,739,320.37
Premiums and Agents' Balances in Course of		
Collection . . . . .	\$137,902.98	
Less Reinsurance . . . . .	<u>31,151.33</u>	\$106,751.65
Less Premiums and Agents' Balances		
more than Ninety Days due . . . . .	<u>9,491.60</u>	97,260.05
Cash in Banks and Offices . . . . .		106,513.38
Reinsurance Receivable . . . . .		26,840.42
Accrued Interest Receivable . . . . .		<u>12,406.98</u>
		\$1,982,341.20

### LIABILITIES

Capital Stock (5,000 Shares. Par Value \$100.00 per Share) . . . . .	\$ 500,000.00
Surplus and Undivided Profits . . . . .	742,501.70
Reserve for Unearned Premiums . . . . .	361,903.65
Reserve for Reported Losses . . . . .	158,458.10
Reserve for Unreported Losses . . . . .	75,000.00
Reserve for Expenses and Taxes . . . . .	95,230.77
*Voluntary Reserve . . . . .	<u>49,246.98</u>
	\$1,982,341.20

\*Bonds, Stocks and Debentures are stated at values established by the Insurance Department of the Dominion of Canada. Market value of these securities is \$1,717,244.69. Voluntary Reserve adjusts Insurance Department value to actual cost.

Securities carried at \$358,670.00 and cash in amount of \$16,006.00 are deposited for purposes required by law and in connection with foreign reinsurance contracts.



The revenue accounts of the COMPANIA MEXICANA DE GARANTIAS, S. A. (Mexican Surety Company) for the period under review show:

(Stated in Mexican Pesos)

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	P\$1,222,698.67	(Decrease P\$109,297.87)
Less Reinsurance Ceded.....	210,806.89	(Decrease 18,556.60)
Net Premiums Written.....	1,011,891.78	(Decrease 90,741.27)
Increase in Unearned Premium Reserve....	919.15	(Increase 14,340.04)
Earned Premium.....	1,010,972.63	(Decrease 105,081.31)
From Buildings—Rents Less Operating Expense..	24,697.66	(Increase 3,949.49)
From Securities—Interest and Dividends.....	77,631.89	(Decrease 2,769.14)
TOTAL INCOME.....	<u>P\$1,113,302.18</u>	(Decrease 103,900.96)
OUTGO:		
For Operating Expenses Paid.....	P\$ 279,019.77	(Increase P\$ 15,376.59)
For Claim Expenses Paid.....	36,701.74	(Increase 9,998.50)
For Taxes Paid.....	17,506.76	(Decrease 50,396.03)
For Commissions Paid.....	164,340.84	(Decrease 17,377.45)
For Losses Incurred.....	P\$188,836.54	(Decrease 156,912.21)
Less Cash Salvage.....	84,966.15	(Decrease 32,383.74)
Net Losses Incurred.....	103,870.39	(Decrease 124,528.47)
TOTAL OUTGO.....	<u>P\$ 601,439.50</u>	(Decrease 166,926.86)
Excess of Income over Outgo.....		P\$511,862.68
Deduct—Increase in:		
Reserve for Overdue Premiums.....	P\$5,090.37	
Reserve for Overdue Rents.....	4,606.00	
Reserve for Expenses and Taxes.....	9,550.54	19,246.91
Investment Income and Underwriting Profit Less Reserves.....		P\$492,615.77
(Stated in United States Dollars converted at the rate of 4.90 Pesos Mexican to One Dollar United States)		
Investment Income and Underwriting Profit Less Reserves.....		\$100,533.83
Add:		
Profit on Sale of Securities.....	\$3,327.82	
Appreciation in Value of Securities Unsold.....	4,529.93	7,857.75
		108,391.58
Deduct:		
Increase in Reserve for Mortgages and Loans.....	3,500.00	
Increase in Reserve for Real Estate.....	3,750.00	
Loss in Foreign Exchange.....	427.30	7,677.30
Balance.....		100,714.28
Dividends Paid.....		50,714.28
Added to Surplus.....		50,000.00
Surplus January 1, 1941.....		250,000.00
Surplus December 31, 1941.....		<u>\$300,000.00</u>

COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

FINANCIAL STATEMENT, DECEMBER 31, 1941

(Converted into United States Currency, in the ratio of 4.90 Mexican Pesos, to One United States Dollar)

ADMITTED ASSETS

Real Estate—Unencumbered . . . . .		\$ 65,108.47
Bonds and Stocks (At Market Value) . . . . .		184,335.39
Premiums in Course of Collection . . . . .	\$ 4,503.07	
Less Premiums More Than Ninety Days Due . . . . .	1,038.85	3,464.22
Cash in Banks and Office . . . . .		348,627.77
Mortgage Loans . . . . .		72,633.97
Reinsurance and Accounts Receivable . . . . .		7,007.53
Interest Due and Accrued . . . . .		1,861.22
		<u>\$683,038.57</u>

LIABILITIES

Capital Stock (5,000 Shares. Par Value P 100. per Share) . . . . .		\$102,040.82
Surplus and Undivided Profits . . . . .	\$300,000.00	
Legal Fund Provision . . . . .	34,013.60	334,013.60
Reserve for Unearned Premiums . . . . .		153,977.94
Reserve for Reported Losses . . . . .		42,448.41
Reserve for Unreported Losses . . . . .		30,000.00
Reserve for Expenses, Taxes and Other Liabilities . . . . .		20,557.80
		<u>\$683,038.57</u>

Cash in the amount of \$167,729.62 in the above statement is deposited for purposes required by law and in connection with foreign reinsurance contracts.

The revenue accounts of the AMSUCO SECURITIES COMPANY for the period under review show:

INCOME:

From Interest and Dividends . . . . . \$ 28,501.00

TOTAL INCOME . . . . . 28,501.00

OUTGO:

For Expenses Paid . . . . . \$ 35.86

For Taxes Paid . . . . . 1,459.26

TOTAL OUTGO . . . . . 1,495.12

NET INVESTMENT INCOME . . . . . \$ 27,005.88

Deduct:

Depreciation of Unsold Securities . . . . . 7,662.50

Depreciation Taken Prior to January 1, 1941, on Securities Sold During the Year . . . . . \$26,050.00

Less: Loss on Sale of Securities . . . . . 25,550.00 500.00

7,162.50

Dividends Paid . . . . . 19,843.38  
40,000.00

Deduct from Surplus . . . . . 20,156.62  
Surplus January 1, 1941 . . . . . 129,247.83

Surplus December 31, 1941 . . . . . \$109,091.21

## AMSUCO SECURITIES COMPANY

FINANCIAL STATEMENT, DECEMBER 31, 1941

### RESOURCES

Stocks (At Market Value) . . . . . \$ 81,847.00  
Cash in Banks . . . . . 11,900.75  
Real Estate Mortgage and other Loans Receivable . . . . . 103,600.00  
Accrued Interest . . . . . 10,458.33  
Accounts Receivable less Reserve . . . . . 2,785.13

\$210,591.21

### LIABILITIES

Capital Stock (2,000 Shares. Par Value \$50.00 per Share) . . . . . \$100,000.00  
Surplus . . . . . 109,091.21  
Reserve for Taxes . . . . . 1,500.00

\$210,591.21



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

PAR VALUE		DEPARTMENT VALUES
U. S. GOVERNMENT NOTES AND BONDS		
\$ 750,000	U. S. of America Treasury Notes 1½%, 1943.....	\$ 757,500.00
500,000	U. S. of America Treasury Notes, Series "B", 1%, 1944.....	505,000.00
269,000	U. S. of America Treasury Bonds 3¼%, 1945/1943.....	282,450.00
84,500	U. S. of America Treasury Bonds 3¼%, 1946/1944.....	89,570.00
650,000	U. S. of America Treasury Bonds 2%, 1947.....	689,000.00
25,000	U. S. of America Treasury Bonds 3%, 1948/1946.....	27,250.00
120,000	U. S. of America Treasury Bonds 2%, 1950/1948.....	127,200.00
308,000	U. S. of America Treasury Bonds 2%, 1955/1951.....	308,000.00
420,000	U. S. of America Treasury Bonds 2½%, 1972/1967.....	432,600.00
<hr/>		<hr/>
\$3,126,500		\$3,218,570.00
U. S. GUARANTEED NOTES AND BONDS		
\$ 500,000	Reconstruction Finance Corporation Notes 1%, 1942.....	\$ 500,000.00
180,000	Reconstruction Finance Corporation Notes, Ser. "V", 1½%, 1943..	181,800.00
500,000	Reconstruction Finance Corporation Notes, Ser. "W", 1%, 1944....	500,000.00
1,230,000	Home Owners' Loan Corporation Bonds, Ser. "G", 2¼%, 1944/1942	1,242,500.00
400,000	Commodity Credit Corporation Notes, Ser. "G", 1½%, 1945.....	400,000.00
<hr/>		<hr/>
\$2,810,000		\$2,824,100.00
U. S. TERRITORIAL BONDS		
\$ 10,000	Porto Rico Workingmen's House Cons., Ser. "B", 4½%, 1941....	\$ 10,000.00
5,000	Porto Rico Public Improvement, Ser. "A", 5%, 1945/1944.....	5,500.00
10,000	Porto Rico Irrigation Loan of 1915, Ser. "F", 4%, 1956.....	12,400.00
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\$ 25,000		\$ 27,900.00
CANADIAN BONDS		
\$ 50,000	Dominion of Canada 2½%, 1944.....	\$ 51,500.00
200,000	Dominion of Canada 4½%, 1944.....	216,000.00
20,000	Dominion of Canada 3½%, 1949.....	20,600.00
50,000	Province of Alberta, Canada 4%, 1957.....	24,500.00
50,000	Province of Manitoba, Canada 4%, 1957.....	42,000.00
20,000	City of Winnipeg, Dominion of Canada, Con. Deb. 5%, 1943.....	21,800.00
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\$ 390,000		\$ 376,400.00
STATE AND MUNICIPAL BONDS		
\$ 75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	\$ 75,000.00
50,000	City of Albany, N. Y. 2%, 1942.....	50,000.00
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\$ 125,000		\$ 125,000.00



# AMERICAN SURETY COMPANY—Continued

PAR VALUE	RAILROAD BONDS	DEPARTMENT VALUES
\$ 100,000	Baltimore & Ohio R. R. Stpd. Mod. Conv. 4½%, 1960.....	\$ 34,000.00
50,000	Baltimore & Ohio R. R. Co. Ref. & Gen. Mtge., "D" 1-5%, 2000..	16,500.00
90,000	Delaware & Hudson R. R. Co. 1st Ref. 4%, 1943.....	48,600.00
40,000	*Erie R. R. Co. Consolidated General Lien 4%, 1996.....	25,600.00
20,000	Kansas City Southern Ry. Co. Ref. & Imp. Mortgage 5%, 1950...	13,400.00
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F" 5%, 1977..	54,000.00
12,500	St. Louis Southwestern Ry. Co. Gen. & Ref. Mtge. 5%, 1990.....	2,125.00
190,000	Southern Pacific Co. 4½%, 1969.....	91,200.00
45,000	Southern Ry. Co. Development & Gen. Mtge. Series "A" 4%, 1956.	27,000.00
16,000	Texarkana & Ft. Smith Ry. Co. 1st Mortgage Guaranteed Series "A" 5½%, 1950.....	14,240.00
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\$ 763,500		\$ 326,665.00
PUBLIC UTILITY BONDS		
\$ 50,000	Hydro-Electric Power Commission of Ontario, Guaranteed by Province of Ontario 3¼%, 1953.....	\$ 38,500.00
90,000	Western Union Telegraph Co. 5%, 1951.....	76,500.00
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\$ 140,000		\$ 115,000.00
INDUSTRIAL BONDS		
\$ 24,000	Armour & Co. of Delaware 1st Mortgage Sinking Fund, Series "B" 4%, 1955.....	\$ 25,440.00
100,000	Canadian International Paper Co. 1st Mtge. 6%, 1949.....	95,000.00
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\$ 124,000		\$ 120,440.00
RAILROAD STOCKS		
3,000 Shares	Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Pfd....	\$ 189,000.00
900 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	23,400.00
500 Shares	Chesapeake & Ohio Ry. Co. 4% Pfd. Non-Cum.....	49,000.00
5,625 Shares	Pennsylvania R. R. Co. Common.....	118,125.00
2,100 Shares	Reading Co. Common.....	29,400.00
4,000 Shares	Southern Railway Co. \$5 Non-Cum. Pfd.....	140,000.00
3,000 Shares	Southern Railway Co. Common.....	51,000.00
500 Shares	Union Pacific R. R. Co. 4% Pfd. Non-Cum.....	38,500.00
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		\$ 638,425.00
PUBLIC UTILITY STOCKS		
1,000 Shares	American Pwr. & Lgt. Co. \$5 Cum. Pfd. Ser. "A" Unstamped...	\$ 24,000.00
300 Shares	American Telephone and Telegraph Co. Common.....	42,900.00
1,700 Shares	Commonwealth Edison Co. Common.....	37,400.00
834 Shares	Commonwealth & Southern Corp. \$6 Cum. Pfd.....	41,700.00
1,000 Shares	Consolidated Edison Co. of N. Y. \$5 Cum. Pfd.....	95,000.00
1,000 Shares	Consolidated Edison Co. of N. Y. Common.....	14,000.00

\*Deposited for new securities of reorganized company.

# AMERICAN SURETY COMPANY—Continued

## PUBLIC UTILITY STOCKS—Continued

		DEPARTMENT VALUES
300 Shares	Consolidated Gas, Electric Light & Power Co. of Baltimore Common.....	\$ 15,300.00
1,000 Shares	Consumers Power Co. \$4.50 Pfd. Cum.....	102,000.00
1,400 Shares	Engineers Public Service Co. \$5 Cum. Conv. Pfd.....	99,400.00
1,600 Shares	Pacific Gas & Electric Co. Common.....	33,600.00
800 Shares	Southern California Edison Co., Ltd. Common.....	16,800.00

\$ 522,100.00

## BANK STOCKS

7,032 Shares	Chase National Bank of the City of New York.....	\$ 189,864.00
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## MISCELLANEOUS STOCKS

1,000 Shares	Allis-Chalmers Mfg. Co. Common.....	\$ 25,000.00
703 Shares	Amerex Holding Corp.....	9,842.00
700 Shares	American Chiclet Co. Common.....	74,200.00
250 Shares	American Cyanamid Co. 5% Cum. Pfd.....	2,750.00
2,000 Shares	American Cyanamid Co. "B" Common.....	76,000.00
1,800 Shares	American Home Products Corp. Common.....	81,000.00
1,000 Shares	American Locomotive Co. \$7 Cum. Pfd.....	84,000.00
1,200 Shares	American Smelting & Refining Co. Common.....	42,000.00
1,400 Shares	American Snuff Co. Common.....	44,800.00
500 Shares	American Sugar Refining Co. \$7 Cum. Pfd.....	48,000.00
1,100 Shares	American Tobacco Co. "B" Common.....	53,900.00
4,100 Shares	Borden Company Common.....	86,100.00
1,500 Shares	Corn Products Refining Co. Common.....	72,000.00
2,100 Shares	First National Stores, Inc. Common.....	75,600.00
1,800 Shares	General Electric Co. Common.....	46,800.00
2,500 Shares	General Foods Corp. Common.....	95,000.00
1,400 Shares	General Motors Common.....	49,000.00
2,900 Shares	(H. L.) Green Co., Inc. Common.....	98,600.00
500 Shares	International Harvester Co. Common.....	22,500.00
3,200 Shares	Kroger Grocery & Baking Co. Common.....	89,600.00
4,000 Shares	P. Lorillard Co. Common.....	60,000.00
1,000 Shares	Monsanto Chemical Co. Common.....	86,000.00
1,000 Shares	Montgomery Ward & Co. Common.....	31,000.00
2,700 Shares	National Biscuit Co. Common.....	43,200.00
4,500 Shares	National Dairy Products Corp. Common.....	63,000.00
3,000 Shares	Ohio Oil Co. Common.....	24,000.00
1,100 Shares	J. C. Penney Co. Common.....	82,500.00
166 Shares	Philip Morris & Co., Ltd., Inc. 4¼% Cum. Pfd.....	18,094.00
1,000 Shares	Philip Morris & Co., Ltd., Inc. Common.....	78,000.00
2,000 Shares	Phillips Petroleum Co. Common.....	90,000.00
2,000 Shares	Pullman, Inc. Common.....	44,000.00

# AMERICAN SURETY COMPANY—Continued

## MISCELLANEOUS STOCKS—Continued

### DEPARTMENT VALUES

1,000 Shares	Reynolds Metals Co. $5\frac{1}{2}\%$ Cum. Conv. Pfd.	\$ 80,000.00
2,600 Shares	Reynolds (R. J.) Tobacco Co. "B" Common	62,400.00
1,600 Shares	Safeway Stores, Inc. Common	68,800.00
8,000 Shares	Socony-Vacuum Oil Co., Inc. Common	80,000.00
3,000 Shares	Standard Oil Co. of New Jersey Common	132,000.00
1,200 Shares	Sterling Products, Inc. Common	67,200.00
3,000 Shares	Texas Corp. Common	132,000.00
1,500 Shares	Union Carbide & Carbon Corp. Common	105,000.00
2,200 Shares	United States Steel Corp. Common	112,200.00
2,600 Shares	United States Tobacco Co. Common	59,800.00
1,000 Shares	Westvaco Chloride Products Corp. Common	32,000.00
1,000 Shares	F. W. Woolworth Co. Common	26,000.00

\$ 2,753,886.00

## STOCKS OF SUBSIDIARY COMPANIES

800 Shares	Amnyco Printing & Supply Corp.	}	\$ 140,000.00
2,000 Shares	Amsuco Securities Company		
4,368 Shares	Canadian Surety Company		527,821.87
5,000 Shares	Compania Mexicana de Garantias, S. A.		101,461.85
39,980 Shares	New York Casualty Company		1,784,450.00

\$ 2,553,733.72

### PAR VALUE

### RECAPITULATION

\$3,126,500	U. S. Government Notes and Bonds	\$ 3,218,570.00
2,810,000	U. S. Guaranteed Notes and Bonds	2,824,100.00
25,000	U. S. Territorial Bonds	27,900.00
390,000	Canadian Bonds	376,400.00
125,000	State and Municipal Bonds	125,000.00
763,500	Railroad Bonds	326,665.00
140,000	Public Utility Bonds	115,000.00
124,000	Industrial Bonds	120,440.00

\$7,504,000      Total of Notes and Bonds ..... \$ 7,134,075.00

Railroad Stocks	\$ 638,425.00
Public Utility Stocks	522,100.00
Bank Stocks	189,864.00
Miscellaneous Stocks	2,753,886.00
Stocks of Subsidiary Companies	2,553,733.72

Total of Stocks ..... \$ 6,658,008.72

### GRAND TOTAL OF NOTES, BONDS AND STOCKS OWNED BY

AMERICAN SURETY COMPANY OF NEW YORK ..... \$13,792,083.72

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of subsidiary companies, which are stated at less than book value.



# SECURITIES OWNED BY NEW YORK CASUALTY COMPANY

PAR VALUE	MORTGAGE LOANS	DEPARTMENT VALUES
\$327,010.00	Various Mortgage Loans on Real Estate, N. Y., 1941.....	\$ 327,010.00
55,300.00	Various Mortgage Loans on Real Estate, N. Y., 1942.....	49,000.00
22,201.74	Various Mortgage Loans on Real Estate, N. Y., 1943.....	22,201.74
21,825.00	Various Mortgage Loans on Real Estate, N. Y., 1945.....	21,825.00
181,834.48	Various Mortgage Loans on Real Estate, N. Y., 1946.....	177,510.27
6,580.00	Various Mortgage Loans on Real Estate, N. Y., 1951.....	6,580.00
16,200.00	Participation Cert. Fifth Ave. and Washington Mews Realty, Inc., 1947.....	16,200.00

\$630,951.22

\$ 620,327.01

## U. S. GOVERNMENT BONDS

\$172,000	U. S. of America Treasury Bonds 3¼%, 1945/1943.....	\$ 180,600.00
10,000	U. S. of America Treasury Bonds 3¼%, 1946/1944.....	10,600.00
65,000	U. S. of America Treasury Bonds 2%, 1947.....	68,900.00
40,000	U. S. of America Treasury Bonds 2%, 1950/1948.....	42,400.00
105,000	U. S. of America Treasury Bonds 2½%, 1953/1949.....	113,400.00
150,000	U. S. of America Treasury Bonds 2¼%, 1953/1951.....	160,500.00
10,000	U. S. of America Treasury Bonds 3%, 1955/1951.....	11,300.00
71,500	U. S. of America Treasury Bonds 2%, 1955/1951.....	71,500.00
10,000	U. S. of America Treasury Bonds 2½%, 1960/1955.....	11,200.00
97,500	U. S. of America Treasury Bonds (Int. Cert.) 2½%, 1972/1967....	100,425.00

\$731,000

\$ 770,825.00

## U. S. GUARANTEED NOTES AND BONDS

\$250,000	Reconstruction Finance Corporation Notes 1%, 1942.....	\$ 250,000.00
45,000	Reconstruction Finance Corporation Notes Series "V" 1½%, 1943..	45,450.00
100,000	Reconstruction Finance Corporation Notes Series "W" 1%, 1944..	100,000.00
125,000	Home Owners' Loan Corporation Bonds Ser. "G" 2¼%, 1944/1942..	126,250.00
80,000	Commodity Credit Corporation Notes Series "G" 1½%, 1945.....	80,000.00

\$600,000

\$ 601,700.00

## STATE AND MUNICIPAL BONDS

\$ 75,000	N. Y. State Gen. State Improvement 2¼%, 1942.....	\$ 75,000.00
50,000	City of Albany, N. Y. 2%, 1942.....	50,000.00

\$125,000

\$ 125,000.00

## RAILROAD BONDS

\$ 19,000	Ann Arbor R. R. Co. 1st Mtge. 4%, 1995.....	\$ 13,300.00
15,000	Atlantic & Danville Ry. Co. 1st Mtge. 4%, 1948.....	5,400.00
30,000	Baltimore & Ohio R. R. Secured Notes 4%, 1944.....	20,100.00
10,000	Baltimore & Ohio R. R. Co., Tol.-Cinc. Div. 1st Lien & Ref. Mtge. Ser. "A" 4%, 1959.....	5,000.00
25,000	Boston & Maine R. R. Co. Income Mortgage Series "A" 4½%, 1970..	9,250.00



# NEW YORK CASUALTY COMPANY—Continued

PAR VALUE	RAILROAD BONDS—Continued	DEPARTMENT VALUES
\$ 10,000	Boston & Maine R. R. Co. 1st Mortgage Series RR 4%, 1960.....	\$ 7,100.00
30,000	Central Pacific Railway Co. 5%, 1960.....	15,000.00
45,000	Delaware & Hudson R. R. Co. 1st & Ref. 4%, 1943.....	24,300.00
15,000	Ill. Cent. R. R. Co. & Chi., St. Louis & N. O. R. R. Co. Jt. 1st & Ref. Mtge. Ser. "A" 5%, 1963.....	6,300.00
20,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Con. Mtge. 4%, 1938.....	2,400.00
15,000	Minn., St. Paul & S. S. Marie Ry. Co. 1st Ref. Mortgage Series "A" 6%, 1946.....	600.00
20,000	Missouri Pacific R. R. Co. Gen. Mortgage 4%, 1975.....	400.00
50,000	New Orleans, Texas & Mexico Ry. Co. 1st Mortgage Series "A" 5½%, 1954.....	22,500.00
20,000	New York Central & H. R. R. R. Ref. & Imp. Mtge. Ser. "C" 5%, 2013	10,400.00
60,000	N. Y., Chicago & St. Louis R. R. Co. Ref. Mortgage Series "A" 4½%, 1978.....	37,800.00
30,000	N. Y., Ontario & Western Ry. Co. Ref. Mortgage 4%, 1992.....	1,500.00
20,000	Pere Marquette Ry. Co. 1st Mortgage Series "A" 5%, 1956.....	14,200.00
100,000	Railroad Securities Co.—Illinois Central Stock Certificates Series "A" 4%, 1952.....	3,000.00
40,000	Seaboard Air Line Ry. Co. 1st Mortgage 4%, 1950 Stamped.....	5,200.00
50,000	Wabash R. R. Co. 1st Mortgage 5%, 1939.....	39,000.00
50,000	Western Pacific R. R. Co. 1st Mortgage Series "A" 5%, 1946 Assented	11,500.00
10,000	Wisconsin Central Ry. Co. 1st Gen. Mortgage 4%, 1949.....	3,900.00
\$684,000		\$ 258,150.00

## PUBLIC UTILITY BONDS

\$ 25,000	Standard Gas & Electric Co. of Delaware Deb. Series "A" 6%, 1951..	\$ 20,500.00
45,000	Western Union Telegraph 5%, 1951.....	38,250.00
\$ 70,000		\$ 58,750.00

## RAILROAD STOCKS

400 Shares	Atchison, Topeka & Santa Fe Railway Co. Common.....	\$ 10,400.00
2,000 Shares	Canadian Pacific R. R. Co. Common.....	8,000.00
500 Shares	Great Northern Railway Co. \$6 Non-Cum. Pfd.....	11,500.00
500 Shares	New York Central R. R. Co. Common.....	5,000.00
500 Shares	Norfolk & Western Railway Co. Common.....	94,000.00
500 Shares	Northern Pacific Railway Co. Common.....	3,000.00
600 Shares	Pennsylvania R. R. Co. Common.....	12,600.00
400 Shares	Southern Pacific Co. Common.....	4,800.00
400 Shares	Southern Railway Co. Common.....	6,800.00
500 Shares	Union Pacific Railroad Co. Common.....	33,000.00
		\$ 189,100.00

# NEW YORK CASUALTY COMPANY—Continued

## PUBLIC UTILITY STOCKS

DEPARTMENT  
VALUES

100 Shares	American Telephone & Telegraph Co. Common	\$ 14,300.00
500 Shares	American Water Works & Electric Co., Inc., \$6 Cum. 1st Pfd.	38,000.00
500 Shares	Commonwealth Edison Co. Common	11,000.00
200 Shares	Electric Bond & Share Co. \$5 Cum. Pfd.	11,400.00
200 Shares	Electric Power & Light Co. \$6 Cum. Pfd.	6,400.00
500 Shares	Federal Light & Traction Co. \$6 Cum. Pfd.	47,500.00
500 Shares	North American Co. 6% Cum. Pfd.	26,500.00
800 Shares	Pacific Gas & Electric Co. Common	16,800.00
600 Shares	United Gas Improvement Co. Common	3,000.00
		<hr/>
		\$ 174,900.00

## BANK AND TRUST COMPANY STOCKS

70 Shares	Brooklyn Trust Co., Brooklyn, N. Y.	\$ 4,690.00
500 Shares	Chase National Bank of the City of New York	13,500.00
10 Shares	First National Bank of the City of New York	13,130.00
200 Shares	Girard Trust Co., Philadelphia, Pa.	8,600.00
65 Shares	Guaranty Trust Co. of the City of New York	15,860.00
1,750 Shares	Manhattan Co., New York, N. Y.	26,250.00
		<hr/>
		\$ 82,030.00

## MISCELLANEOUS STOCKS

50 Shares	Amerex Holding Corp.	\$ 700.00
1,000 Shares	American Smelting & Refining Co. Common	35,000.00
500 Shares	American Tobacco Co. "B" Common	24,500.00
500 Shares	Anaconda Copper Mining Co. Common	13,000.00
2,000 Shares	Borden Co. Common	42,000.00
700 Shares	Corn Products Refining Co. Common	33,600.00
550 Shares	Eastman Kodak Co. Common	73,150.00
1,000 Shares	First National Stores, Inc. Common	36,000.00
1,000 Shares	General Foods Corp. Common	38,000.00
1,400 Shares	(H. L.) Green Co., Inc. Common	47,600.00
500 Shares	International Harvester Co. Common	22,500.00
500 Shares	Kennecott Copper Co. Common	16,000.00
1,500 Shares	Kroger Grocery & Baking Co. Common	42,000.00
2,000 Shares	P. Lorillard Co. Common	30,000.00
53 Shares	Mission Corp. Common	954.00
500 Shares	Monsanto Chemical Co. Common	43,000.00
1,200 Shares	National Biscuit Co. Common	19,200.00
500 Shares	J. C. Penney Co. Common	37,500.00
83 Shares	Philip Morris & Co., Ltd., Inc. Common	9,047.00
500 Shares	Philip Morris & Co., Ltd., Inc. Common	39,000.00

# NEW YORK CASUALTY COMPANY—Continued

## MISCELLANEOUS STOCKS—Continued

DEPARTMENT  
VALUES

1,000 Shares	Phillips Petroleum Co. Common	\$ 45,000.00
500 Shares	Pullman, Inc. Common	11,000.00
1,100 Shares	Reynolds (R. J.) Tobacco Co. "B" Common	26,400.00
1,000 Shares	Safeway Stores, Inc. Common	43,000.00
3,000 Shares	Socony-Vacuum Oil Co., Inc. Common	30,000.00
2,000 Shares	Standard Oil Co. of N. J. Common	88,000.00
600 Shares	Sterling Products, Inc. Common	33,600.00
600 Shares	Union Carbide & Carbon Corp. Common	42,000.00
700 Shares	F. W. Woolworth Co. Common	18,200.00

\$ 939,951.00

PAR  
VALUE

## RECAPITULATION

\$ 630,951.22	Mortgage Loans	\$ 620,327.01
\$ 731,000.00	U. S. Government Bonds	\$ 770,825.00
600,000.00	U. S. Guaranteed Notes and Bonds	601,700.00
125,000.00	State and Municipal Bonds	125,000.00
684,000.00	Railroad Bonds	258,150.00
70,000.00	Public Utility Bonds	58,750.00
\$2,210,000.00	Total of Notes and Bonds	\$1,814,425.00

Railroad Stocks	\$ 189,100.00
Public Utility Stocks	174,900.00
Bank and Trust Company Stocks	82,030.00
Miscellaneous Stocks	939,951.00

Total of Stocks \$1,385,981.00

GRAND TOTAL OF MORTGAGE LOANS, NOTES, BONDS AND  
STOCKS OWNED BY NEW YORK CASUALTY COMPANY \$3,820,733.01

NOTE: Amortizable bonds are stated at amortized values and other bonds and stocks at market values established by the Insurance Department of the State of New York.



# SECURITIES OWNED BY THE CANADIAN SURETY COMPANY

PAR VALUE	GOVERNMENT BONDS	DEPARTMENT VALUES
\$ 50,000.00	Dominion of Canada 2½%, 1944 (On deposit with American Surety Co. in New York).....	\$ 51,000.00
35,000.00	Dominion of Canada 3%, 1950/51 Victory Loan.....	35,000.00
10,000.00	Dominion of Canada 3%, 1949/52.....	10,000.00
39,000.00	Dominion of Canada 4½%, 1948/58.....	42,510.00
75,000.00	Dominion of Canada Conversion Loan 4½%, 1949/59.....	82,500.00
20,000.00	Dominion of Canada 3¼%, 1946/49.....	20,600.00
10,000.00	Dominion of Canada 3½%, 1949.....	10,300.00
20,000.00	Dominion of Canada 3¼%, 1948/51.....	20,400.00
15,000.00	Dominion of Canada 3¼%, 1948/52.....	15,300.00
191,000.00	Dominion of Canada 3%, 1953/58.....	191,000.00
45,000.00	Dominion of Canada 3¼%, 1956/66.....	45,900.00
5,000.00	Canadian National Railway guaranteed by Dominion of Canada 4½%, 1956.....	5,900.00
26,000.00	Canadian National Railway guaranteed by Dominion of Canada 4½%, 1957.....	30,680.00
15,000.00	Canadian National Railway guaranteed by Dominion of Canada 3%, 1945/50.....	15,000.00
50,000.00	Canadian National Railway guaranteed by Dominion of Canada 3%, 1954/59.....	49,500.00
40,000.00	Canadian National Railway guaranteed by Dominion of Canada 4½%, 1951 (On deposit with American Surety Co. in New York)	46,800.00
14,580.00	Grand Trunk Pacific Railway guaranteed by Dominion of Canada 4%, 1962.....	16,329.60
5,000.00	Province of Alberta 4½%, 1956.....	3,250.00
7,000.00	Province of British Columbia 4½%, 1948-50-52.....	7,440.00
10,000.00	Province of British Columbia 4%, 1950.....	10,600.00
3,000.00	Province of British Columbia 4½%, 1955.....	3,180.00
10,000.00	Province of New Brunswick 5%, 1959.....	10,900.00
10,000.00	Province of New Brunswick 3%, 1951.....	9,200.00
11,000.00	Province of New Brunswick 3¼%, 1945.....	10,780.00
5,000.00	Province of New Brunswick 4%, 1945/47.....	5,150.00
8,000.00	Province of Prince Edward Island 4%, 1948/50.....	8,080.00
10,000.00	Province of Quebec 3¼%, 1949.....	9,700.00
25,000.00	Province of Quebec 3½%, 1951/53.....	25,750.00
5,000.00	Province of Quebec 4¼%, 1958.....	5,200.00
25,000.00	Province of Quebec 3¼%, 1951/54.....	23,750.00
10,000.00	Province of Nova Scotia 3½%, 1949.....	10,100.00
20,000.00	Province of Nova Scotia 3½%, 1950.....	20,200.00
5,000.00	Province of Nova Scotia 5%, 1960.....	5,900.00
10,000.00	Province of Nova Scotia 4½%, 1961.....	11,200.00
20,000.00	Province of Ontario 3¼%, 1945/47.....	20,400.00
26,000.00	Province of Ontario 5%, 1948.....	29,120.00
25,000.00	Province of Ontario 3%, 1945/49.....	25,000.00
10,000.00	Province of Ontario 3%, 1951.....	10,000.00



# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	GOVERNMENT BONDS—Continued	DEPARTMENT VALUES
\$ 10,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Province of Ontario, 3%, 1946/48.....	\$ 10,000.00
25,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Province of Ontario 4%, 1957.....	27,500.00
30,000.00	Hydro-Electric Power Commission of Ontario guaranteed by Province of Ontario 3 1/4%, 1950/53.....	30,300.00
10,000.00	T. & N. O. Railway Commission guaranteed by Province of Ontario 4%, 1965.....	10,800.00
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\$995,580.00		\$1,032,219.60
MUNICIPAL BONDS		
\$ 2,000.00	City of Brandon, Man. (defaulted) 5 1/4%, 1939.....	\$ 1,700.00
1,000.00	City of Brandon, Man. 4 1/2%, 1942.....	850.00
2,000.00	City of Brantford, Ont. 4 1/2%, 1942.....	2,020.00
4,000.00	City of Brantford, Ont. 5%, 1944.....	4,200.00
5,000.00	City of Charlottetown, P. E. I. 3 1/2%, 1952.....	4,800.00
2,000.00	City of Fort William, Ont. 4 1/2%, 1952.....	2,120.00
4,000.00	City of Fort William, Ont. 4 1/2%, 1957.....	4,320.00
5,000.00	City of Halifax, N. S. 5%, 1961.....	5,500.00
5,000.00	City of Hamilton, Ont. 5%, 1947.....	5,500.00
10,000.00	City of Hamilton, Ont. 3 1/2%, 1954.....	10,300.00
10,000.00	City of Montreal, Que. 3 1/2%, 1944.....	9,000.00
10,000.00	City of Montreal, Que. 4%, 1945.....	9,200.00
4,000.00	City of North Bay, Ont. 5%, 1942-43.....	4,080.00
2,000.00	City of Oshawa, Ont. 5 1/2%, 1946.....	2,160.00
3,000.00	City of Port Arthur, Ont. 5%, 1945.....	3,210.00
5,000.00	City of Regina, Sask. 5 1/2%, 1942.....	5,000.00
1,500.00	City of Regina, Sask. 6 1/2%, 1951.....	1,470.00
5,000.00	City of Saskatoon, Sask. 4 1/2%, 1948.....	4,400.00
5,000.00	City of Saint John, N. B. 4 1/2%, 1971.....	5,200.00
10,000.00	City and County of Saint John, N. B. 4 1/2%, 1971.....	10,400.00
5,000.00	City of Sherbrooke, Que. 3 1/2%, 1955.....	5,000.00
15,000.00	City of Sydney, N. S. 4 1/2%, 1942.....	15,150.00
2,000.00	City of Three Rivers, Que. 5 1/2%, 1947.....	2,080.00
5,500.00	City of Three Rivers, Que. 5 1/2%, 1952.....	5,775.00
15,000.00	City of Toronto, Ont. 5%, 1945.....	16,200.00
15,000.00	City of Victoria, B. C. 5 1/2% to 1941, 4 1/2% thereafter, 1966.....	14,850.00
1,000.00	City of Victoria, B. C. 5 1/2% to 1941, 4 1/2% thereafter, 1966.....	990.00
1,000.00	City of Victoria, B. C. 5 1/2% to 1945, 4 1/2% thereafter, 1966.....	1,010.00
3,000.00	City of Winnipeg, Man. 4 1/2%, 1950.....	3,150.00
1,703.33	City of Winnipeg, Man., Reg'd Stock 4 1/2%, 1943/63.....	1,720.36
4,000.00	Town of Carleton Place, Ont. 5 1/2%, 1952.....	4,520.00
3,000.00	Town of Collingwood, Ont. guaranteed by County of Simcoe, Ont. 5% to Dec. 1, 1944, 4 1/2% thereafter, 1963.....	3,000.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MUNICIPAL BONDS—Continued	DEPARTMENT VALUES
\$ 6,000.00	Town of Cornwall, Ont. 5%, 1943-44.....	\$ 6,240.00
4,000.00	Town of Cornwall, Ont. 5%, 1945.....	4,280.00
2,000.00	Town of Dundas, Ont. 5%, 1948.....	2,200.00
8,000.00	Town of Dundas, Ont. 5%, 1949.....	8,880.00
6,000.00	Town of Sorel, Que. 4%, 1960.....	5,580.00
5,000.00	Town of Swift Current, Sask. Certificate of Indebtedness No. 172, 3½%, 1937.....	2,000.00
1,646.96	Town of Watrous, Sask. 5½%, 1933 to 1956.....	741.13
6,145.49	Town of Weston, Ont. 5% to 1947, 4½% thereafter, 1947/62....	6,268.40
940.69	Village of Madoc, Ont. 5%, 1947.....	1,025.35
10,000.00	Township of Barton, Ont. 5%, 1944.....	10,300.00
7,000.00	Township of Colchester South, Ont. 5%, 1943-49.....	7,420.00
5,000.00	Township of East York, Ont. 1974, 5½% to 1947, 4½% there- after.....	5,000.00
2,000.00	Township of Esquimalt, B. C. 5%, 1963.....	1,960.00
7,000.00	Township of Richmond, B. C. 4½%, 1959.....	7,070.00
7,000.00	District of North Vancouver, B. C. 5%, 1960.....	2,800.00
3,000.00	County of Carleton, Ont. 6%, 1941-44.....	3,150.00
7,000.00	County of Lincoln, Ont. 5½%, 1942.....	7,070.00

\$254,436.47

\$250,860.24

## SCHOOL BONDS

\$ 6,000.00	North Bay, Ont. Separate Schools 6%, 1950-52.....	\$ 6,840.00
1,000.00	North Bay, Ont. Separate Schools 6%, 1953.....	1,160.00
10,346.29	St. Hyacinthe, Que. School 4½%, 1953 to 1960.....	11,070.53
5,000.00	Roman Catholic School, Toronto 5%, 1945.....	5,250.00

\$ 22,346.29

\$ 24,320.53

## MISCELLANEOUS BONDS

\$ 10,000.00	Canada Permanent Mortgage Corp. 3½%, 1945.....	\$ 10,000.00
20,000.00	Canada Permanent Mortgage Corp. 3½%, 1946.....	20,000.00
10,000.00	Canada Permanent Mortgage Corp. 3½%, 1942.....	10,000.00
10,000.00	British Columbia Telephone Co., Ltd., 1st Mortgage Gold Bonds Series B 4½%, 1961.....	10,600.00
10,000.00	British Columbia Power Corp., Ltd. 4¼%, 1960.....	10,100.00
10,000.00	Canada Cement Co., Ltd., 1st Mortgage Sinking Fund, Series "A" 4¼%, 1951.....	10,400.00
5,000.00	Canada Northern Power Corp. 5%, 1953 or earlier.....	5,150.00
10,000.00	Canada Steamship Lines 5%, 1957.....	10,200.00
5,000.00	Canadian International Paper Co., 1st Mortgage 6%, 1949 or earlier	5,300.00
3,000.00	Consolidated Paper Corp., Ltd., 1st Mtge. Gold Bonds 5¼%, 1961	2,280.00
10,000.00	T. Eaton Realty Co., Ltd., 1st Mortgage Sinking Fund Series "A" 4%, 1951.....	10,300.00

# THE CANADIAN SURETY COMPANY—Continued

PAR VALUE	MISCELLANEOUS BONDS—Continued	DEPARTMENT VALUES
\$ 10,000.00	Great Lakes Paper Company 5%, 1955 .....	\$ 9,600.00
5,000.00	Gatineau Power Co. 3¾%, 1969 .....	4,950.00
11,000.00	Hamilton Cotton Co., Ltd. 4¼%, 1950 .....	11,110.00
5,000.00	Lake St. John Power & Paper Co., 1st Mortgage Sinking Fund Series A 5½%, 1961 or earlier .....	4,600.00
10,000.00	Maple Leaf Milling Co., Ltd., 1st (closed) Mortgage Sinking Fund 1958, 3% to 1943, 5½% thereafter .....	7,900.00
10,000.00	MacLaren-Quebec Power Co. 4%, 1944/59 .....	10,000.00
20,000.00	Massey-Harris Co., Ltd. 4¼%, 1954 .....	19,400.00
10,000.00	Montreal Light, Heat & Power Consolidated 3½%, 1963 .....	10,300.00
5,000.00	McColl Frontenac Oil Co., Ltd. 4¼%, 1949 .....	5,150.00
10,000.00	Nova Scotia Light & Power Co., 1st Mortgage 4%, 1957 or earlier .....	10,200.00
5,000.00	Ottawa Light, Heat & Power Consolidated 4%, 1957 .....	5,100.00
5,000.00	Price Bros., Ltd. 5%, 1957 .....	5,000.00
10,000.00	Rolland Paper Co. 4¼%, 1941/51 .....	10,300.00
20,000.00	Simpson's, Ltd., 1st Mortgage and Collateral Trust Series "A" 4¼%, 1951 or earlier .....	20,400.00
5,000.00	St. Maurice Power Corp., 1st Mortgage Sinking Fund Series "B" 4½%, 1945/70 .....	5,150.00
5,000.00	United Gas and Fuel Co. of Hamilton, Ltd., 1st Mortgage Sinking Fund 5½%, 1948 or earlier .....	5,300.00
5,000.00	United Grain Growers, Ltd., 1st Mortgage Sinking Fund Series "A" 5%, 1948 or earlier .....	4,950.00
32,000.00	Shawinigan Water & Power Co. 4½%, 1938/70 .....	34,880.00
20,000.00	Canadian Pacific Railway Convertible 3½%, 1951 .....	19,200.00
<hr/> \$306,000.00		<hr/> \$307,820.00

## STOCKS

90 Shares	International Milling Co. Cumulative Sinking Fund 5%, First Preferred—par value \$100.00 .....	\$10,080.00
50 Shares	Goodyear Tire & Rubber Co. of Canada, Ltd. Cumulative Redeemable, Preferred, 5%—par value \$50.00 .....	2,700.00
185 Shares	Loblaw Groceries Co., Ltd. Preferred "A" .....	4,625.00
20 Shares	Maple Leaf Milling Co. "A" Preferred .....	120.00
25 Shares	McColl Frontenac Oil Co., Ltd. 6%, par value \$100.00 .....	2,225.00
25 Shares	Moore Corporation, Ltd. "A" Preferred, 7%, par value \$100.00 ..	4,450.00
105 Shares	Steel Co. of Canada, Preferred .....	7,560.00
50 Shares	Southern Canada Power Co. 6%, par value \$100.00 .....	4,950.00
100 Shares	British American Oil Co., Ltd. ....	1,700.00
200 Shares	Canadian Pacific Railway Stock, par value \$25.00 .....	1,200.00
100 Shares	Montreal Light, Heat & Power Consolidated .....	2,400.00
60 Shares	Consolidated Paper Corp., Ltd. (non assessable, no par value) .....	180.00
100 Shares	Bell Telephone Co. of Canada .....	15,000.00



# THE CANADIAN SURETY COMPANY—Continued

## STOCKS—Continued

		DEPARTMENT VALUES
20 Shares	Canadian Bank of Commerce.....	\$3,000.00
20 Shares	Dominion Bank.....	3,760.00
20 Shares	Imperial Bank of Canada.....	4,000.00
20 Shares	Bank of Toronto.....	5,000.00
250 Shares	Imperial Tobacco Company, Common.....	3,250.00
100 Shares	Noranda Mines, Ltd.....	5,000.00
50 Shares	Page-Hersey Tubes Limited, Common.....	5,250.00
50 Shares	Dominion Textile Co. Ltd., Common.....	3,750.00
100 Shares	Consolidated Mining & Smelting Co. of Canada, Common.....	3,900.00
		<hr/>
		\$94,100.00

## DEPOSITS WITH TRUST COMPANIES FOR INVESTMENT

\$10,000.00	Canada Permanent Trust Co. 3½%, 1944.....	\$10,000.00
5,000.00	Toronto General Trusts Corp. 3½%, 1945.....	5,000.00
10,000.00	Toronto General Trusts Corp. 3½%, 1944.....	10,000.00
5,000.00	Trusts and Guarantee Co. 3¾%, 1944.....	5,000.00
		<hr/>
\$30,000.00		\$30,000.00

## RECAPITULATION

\$ 995,580.00	Government Bonds.....	\$1,032,219.60
254,436.47	Municipal Bonds.....	250,860.24
22,346.29	School Bonds.....	24,320.53
306,000.00	Miscellaneous Bonds.....	307,820.00
		<hr/>
\$1,578,362.76		\$1,615,220.37
	Stocks.....	94,100.00
	Deposits with Trust Companies for Investment.....	30,000.00
		<hr/>

## GRAND TOTAL OF SECURITIES OWNED BY THE CANADIAN SURETY

COMPANY.....\$1,739,320.37

NOTE: Securities are stated at values established by the Insurance Department for the Dominion of Canada.



SECURITIES OWNED BY COMPANIA MEXICANA DE GARANTIAS, S. A.  
(MEXICAN SURETY COMPANY)

PAR VALUE	BONDS	MARKET VALUE
\$ 10,000	American International Corporation Conv. Deb. $5\frac{1}{2}\%$ , 1949.....	\$ 9,975.00
10,000	American Power & Light Company Deb. $6\%$ , 2016.....	10,625.00
15,000	Baltimore & Ohio Secured Notes $4\%$ , 1944.....	10,162.50
4,000	Baltimore & Ohio R. R. Conv. $4\frac{1}{2}\%$ , 1960.....	1,305.00
20,000	Chicago, Milwaukee, St. Paul & Pacific Ry. Co. Series "A" $5\%$ , 1975..	1,775.00
20,000	Chicago & North Western Ry. Co. Conv. Series "A" $4\frac{3}{4}\%$ , 1949....	250.00
25,000	Delaware & Hudson R. R. Co. 1st & Ref. $4\%$ , 1943.....	13,000.00
10,000	Erie R. R. Company Ref. & Imp. $5\%$ , 1967.....	2,725.00
P 50,000	General Motors Acceptance Corporation of Mexico $7\%$ .....	10,204.08
P 88,000	Mexican Federal Government Exterior $5\%$ , 1945 Assented.....	2,640.00
P 43,800	Mexican Federal Government Bonds de Caminos.....	8,491.84
P160,000	Mexican Federal Government Bonds de Caminos $6\%$ (Provisional Certificates).....	31,020.42
P300,000	Mexican Federal Government Interior Consol. $3\%$ , 1925.....	7,959.18
P 1,100	Mexican Federal Government Interior Debt $5\%$ .....	31.42
10,000	New Orleans Public Service 1st & Ref. Mrg. Series "B" $5\%$ , 1955...	10,450.00
10,000	Queensboro Gas & Electric Co. Conv. Deb. Series "A" $5\frac{1}{2}\%$ , 1952...	7,300.00
10,000	St. Louis-San Francisco Ry. Co. Cons. Ser. "A" $4\frac{1}{2}\%$ , 1978 (Ctf. of Deposit).....	1,137.50
20,000	Southern Pacific Company $4\frac{1}{2}\%$ , 1969.....	9,650.00
10,000	Texas & Pacific Ry. Co. Ref. & Gen. Series "B" $5\%$ , 1977.....	6,000.00
P106,800	United Shoe & Leather Company $5\%$ , 1941.....	17,436.73
10,000	Virginia & Southwestern Ry. Co. 1st Cons. $5\%$ , 1958.....	6,400.00
STOCKS		
200 Shares	Banco Nac. Hipotecario Urbano y de Obras Públicas.....	3,265.31
84 Shares	Commonwealth & Southern Corporation Preferred.....	3,486.00
600 Shares	Lehigh Valley Coal Corporation Preferred.....	5,100.00
1 Share	Mexico City Country Club.....	1,020.41
200 Shares	The United Corporation Cumulative Preference.....	2,925.00
TOTAL, COMPANIA MEXICANA DE GARANTIAS, S. A.....		\$184,335.39

NOTE: Securities are valued at actual market value as of December 31, 1941.

# SECURITIES OWNED BY AMSUCO SECURITIES COMPANY

## STOCKS

		MARKET VALUE
100 Shares	Engineers Public Service Co. 5% Convertible Preferred . . . . .	\$ 6,500.00
1,000 Shares	International Paper & Power Co. 5% Cum. Convertible Preferred..	57,500.00
1,000 Shares	International Paper & Power Co. Common . . . . .	14,375.00
600 Shares	Lehigh Valley Coal Corporation Preferred . . . . .	3,400.00
9 Shares	Title Guaranty & Surety Company . . . . .	72.00
		<hr/>
		\$81,847.00

NOTE: Securities are valued at actual market value as of December 31, 1941.

## BRANCH OFFICES

### BY STATES

<i>State</i>	<i>Address</i>	<i>Manager</i>
ALABAMA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
ARIZONA.....	510 So. Spring Street, Los Angeles, Calif.....	A. I. Zimmerman
ARKANSAS.....	14 South Main Street, Memphis, Tenn.....	H. F. Sharman
CALIFORNIA		
Northern.....	340 Pine Street, San Francisco, Calif.....	R. D. Weldon
Southern.....	510 So. Spring Street, Los Angeles, Calif.....	A. I. Zimmerman
COLORADO.....	17th & Welton Streets, Denver, Colo.....	D. L. Clark
CONNECTICUT.....	410 Asylum Street, Hartford, Conn.....	G. E. Schreck
DELAWARE.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
DISTRICT OF COLUMBIA.....	15th & H Streets, N. W., Washington, D. C.....	Paul N. Cherry
FLORIDA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
GEORGIA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
IDAHO.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
ILLINOIS		
Northern.....	175 W. Jackson Boulevard, Chicago, Ill.....	J. L. Maehle
Southern.....	506 Olive Street, St. Louis, Mo.....	O. L. Kincheloe
INDIANA		
N. W. portion.....	175 W. Jackson Boulevard, Chicago, Ill.....	J. L. Maehle
Except N. W.....	108 No. Pennsylvania Street, Indianapolis, Ind.....	T. W. King
IOWA.....	S. W. cor. W. 6th & Locust Streets, Des Moines, Iowa.....	F. H. Noble
Council Bluffs.....	16th & Farnam Streets, Omaha, Nebr.....	J. D. Frazee
KANSAS.....	S. W. 10th & Walnut Streets, Kansas City, Mo.....	W. R. Evans
KENTUCKY		
10 northern counties.....	Fourth & Walnut Streets, Cincinnati, Ohio.....	E. H. Schier
Southern.....	136 So. Fourth Street, Louisville, Ky.....	L. Y. Johnson
LOUISIANA.....	Gravier & St. Charles Streets, New Orleans, La.....	L. P. McGee
MAINE.....	89 Broad Street, Boston, Mass.....	F. B. Hammond
MARYLAND		
Eastern.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
Western.....	15th & H Streets, N. W., Washington, D. C.....	Paul N. Cherry
MASSACHUSETTS.....	89 Broad Street, Boston, Mass.....	F. B. Hammond
MICHIGAN		
12 counties in northern peninsula.....	324 E. Wisconsin Avenue, Milwaukee, Wis.....	A. H. Edwards
Southern.....	Woodward Ave. & Cadillac Square, Detroit, Mich.....	L. C. Minor
MINNESOTA.....	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.....	W. M. Creer
MISSISSIPPI		
Northern.....	14 So. Main Street, Memphis, Tenn.....	H. F. Sharman
Southern.....	Gravier & St. Charles Streets, New Orleans, La.....	L. P. McGee
MISSOURI		
Eastern.....	506 Olive Street, St. Louis, Mo.....	O. L. Kincheloe
Western.....	S. W. 10th & Walnut Streets, Kansas City, Mo.....	W. R. Evans
MONTANA.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
NEBRASKA.....	16th & Farnam Streets, Omaha, Nebr.....	J. D. Frazee

# BRANCH OFFICES—Continued

<i>State</i>	<i>Address</i>	<i>Manager</i>
NEVADA.....	340 Pine Street, San Francisco, Calif.....	R. D. Weldon
2 counties in central portion.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
NEW HAMPSHIRE.....	89 Broad Street, Boston, Mass.....	F. B. Hammond
NEW JERSEY		
Northern.....	744 Broad Street, Newark, N. J.....	H. N. Hutchinson
Southern.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
NEW MEXICO.....	17th & Welton Streets, Denver, Colo.....	D. L. Clark
NEW YORK		
Metropolitan District.....	80 John Street, New York, N. Y.....	{ M. L. Jenks, V. P. W. R. Ehrmantraut
Metropolitan District (New York Casualty Co.).....	26 Cliff Street, New York, N. Y.....	A. Schneider
Long Island.....	185 Montague Street, Brooklyn, N. Y.....	E. D. Sadler
Eastern.....	100 State Street, Albany, N. Y.....	E. A. Mooney
Central.....	310 Onondaga County Savings Bank Bldg., Syracuse, N. Y.....	A. B. Fuller
5 counties in Northwestern		
New York.....	19 Main Street, West, Rochester, N. Y.....	J. W. Wood
Western.....	422 Main Street, Buffalo, N. Y.....	Stewart R. Pollock
NORTH CAROLINA.....	15th & H Streets, N. W., Washington, D. C.....	Paul N. Cherry
NORTH DAKOTA.....	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.....	W. M. Creer
OHIO		
Northeastern.....	1621 Euclid Avenue, Cleveland, Ohio.....	H. F. De Land
Northwestern.....	Summit Street & Madison Avenue, Toledo, Ohio.....	C. S. Maxson
Southern.....	Fourth & Walnut Streets, Cincinnati, Ohio.....	E. H. Schier
Middle.....	17 So. High Street, Columbus, Ohio.....	C. W. McNeil
OKLAHOMA.....	Main at Robinson Street, Oklahoma City, Okla.....	H. J. Roleke
OREGON.....	705 Second Avenue, Seattle, Wash.....	K. F. Warrack
PENNSYLVANIA		
Eastern.....	Broad & Chestnut Streets, Philadelphia, Pa.....	W. G. Keating
Western.....	310 Grant Street, Pittsburgh, Pa.....	A. A. Rohrich
Northeastern.....	321 Spruce Street, Scranton, Pa.....	P. J. MacDonough
RHODE ISLAND.....	15 Westminster Street, Providence, R. I.....	R. Buss
SOUTH CAROLINA.....	1120 William-Oliver Bldg., Five Points, Atlanta, Ga.....	A. O. Davis
SOUTH DAKOTA.....	Marquette Ave., bet. 6th & 7th Sts., Minneapolis, Minn.....	W. M. Creer
TENNESSEE		
Eastern and Middle.....	136 So. Fourth Street, Louisville, Ky.....	L. Y. Johnson
Western.....	14 So. Main Street, Memphis, Tenn.....	H. F. Sharman
TEXAS.....	1713-15 Santa Fe Bldg., Dallas, Texas.....	E. A. Teague
UTAH.....	N. E. cor. Main & Second South Sts., Salt Lake City, Utah.....	W. D. Habish
VERMONT.....	89 Broad Street, Boston, Mass.....	F. B. Hammond
VIRGINIA.....	15th & H Streets, N. W., Washington, D. C.....	Paul N. Cherry
WASHINGTON.....	705 Second Avenue, Seattle, Wash.....	K. F. Warrack
WEST VIRGINIA		
Southern and Middle.....	Fourth & Walnut Streets, Cincinnati, Ohio.....	E. H. Schier
Northwestern.....	310 Grant Street, Pittsburgh, Pa.....	A. A. Rohrich
Northeastern.....	15th & H Streets, N. W., Washington, D. C.....	Paul N. Cherry
WISCONSIN.....	324 E. Wisconsin Avenue, Milwaukee, Wis.....	A. H. Edwards
WYOMING.....	17th & Welton Streets, Denver, Colo.....	D. L. Clark



AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following classes of Bonds*

FIDELITY  
DISCOVERY  
(Full time Fidelity protection)  
PUBLIC OFFICIAL  
FEDERAL OFFICIAL  
FORGERY  
BANKERS BLANKET  
BROKERS BLANKET  
BUILDING AND LOAN BLANKET  
SAVINGS AND LOAN BLANKET  
RAILROAD BLANKET  
COMMERCIAL BLANKET  
BLANKET POSITION  
SECURITIES FORGERY  
GUARDIAN  
ADMINISTRATORS  
EXECUTORS  
RECEIVERS AND TRUSTEES  
OTHER FIDUCIARY AND PROBATE  
COURT OR JUDICIAL  
CONTRACT BID  
CONTRACT PERFORMANCE  
LICENSE, FRANCHISE AND PERMIT  
CUSTOMS AND INTERNAL REVENUE  
LOST SECURITY  
MISCELLANEOUS SURETY

AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines of Casualty Insurance*

AUTOMOBILE BODILY INJURY AND PROPERTY DAMAGE  
AUTOMOBILE COLLISION  
ACCOUNTANTS LIABILITY  
(Not written by New York Casualty Company)  
AVIATION  
BANK BURGLARY AND ROBBERY  
MERCANTILE SAFE BURGLARY  
INTERIOR ROBBERY  
MESSENGER AND PAYMASTER ROBBERY  
RESIDENCE BURGLARY, ROBBERY, THEFT AND LARCENY  
SAFE DEPOSIT BOX BURGLARY AND ROBBERY  
SAFE DEPOSITORY LIABILITY  
STOREKEEPERS' AND OFFICE BURGLARY AND ROBBERY  
ALL RISK INSURANCE ON MONEY AND SECURITIES  
PLATE GLASS  
PUBLIC LIABILITY AND PROPERTY DAMAGE  
CONTRACTUAL  
ELEVATOR  
MANUFACTURERS' AND CONTRACTORS'  
OWNERS' OR CONTRACTORS' PROTECTIVE  
PRODUCT  
TEAMS  
OWNERS', LANDLORDS', AND TENANTS'  
COMPENSATION  
EMPLOYERS' LIABILITY  
PERSONAL LIABILITY  
OTHER CASUALTY LINES  
COMPREHENSIVE DISHONESTY, DISAPPEARANCE AND DESTRUCTION









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AMERICAN SURETY COMPANY  
*of* NEW YORK



9.

REPORT OF THE PRESIDENT

*for* 1942



REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK

100 BROADWAY • NEW YORK, N. Y.



FOR THE YEAR ENDED  
DECEMBER 31, 1942



AMERICAN SURETY COMPANY  
OF NEW YORK

BOARD OF TRUSTEES

JOSEPH F. ABBOTT  
GEORGE A. ANDERSON  
NEWCOMB CARLTON  
FANNIN W. CHARKE  
WILLIAM E. HALL  
HENRY O. HAVEMEYER  
F. COIT JOHNSON  
JOHN L. KEMMERER  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
JAMES T. LEE

JEREMIAH T. MAHONEY  
W. E. MCKELL  
JEREMIAH MILBANK  
LEWIS H. PARRY  
HARPER SIBLEY  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
JOHN SLOANE  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
ALBERT H. WIGGIN

BRONSON WINTHROP

OFFICERS

F. W. LAFRENTZ  
*Chairman of the Board*

A. F. LAFRENTZ  
*President*

W. M. TOMLINS, JR.  
*First Vice-President*

*Vice-Presidents*

W. H. BENNEM  
D. H. COOK  
H. P. DUNHAM  
J. E. GIBBONS  
R. B. HAMILTON

M. L. JENKS  
W. E. MCKELL  
L. S. MOORE  
F. J. PARRY  
LEWIS H. PARRY

E. F. WATSON

C. H. HALL  
*Secretary*

WILLIAM GOETZ  
*Treasurer*

A. A. NELSON  
*Comptroller*

January 19, 1943.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1942 (in the fifty-ninth year of its operation), are given below:

		Comparison with Preceding Year
INCOME:		
From Premiums Written.....	\$15,896,833.48	(Increase \$2,067,029.95)
Less Reinsurance Ceded.....	2,829,876.42	(Increase 176,243.29)
Net Premiums Written.....	13,066,957.06	(Increase 1,890,786.66)
Increase in Unearned Premium Reserve....	934,005.64	(Increase 660,359.99)
Earned Premiums.....	12,132,951.42	(Increase 1,230,426.67)
From Home Office Building—		
Rents Less Operating Cost.....	331,751.72	(Decrease 11,148.72)
From Securities—Interest and Dividends.....	651,553.58	(Increase 93,304.78)
TOTAL INCOME.....	\$13,116,256.72	(Increase 1,312,582.73)
OUTGO:		
For Operating Expenses Paid.....	\$ 3,985,968.87	(Increase 90,501.05)
For Claim Expenses Paid.....	720,481.67	(Increase 85,874.96)
For Investment Expenses.....	41,082.37	(Decrease 1,192.41)
For Commissions Paid.....	1,948,699.03	(Increase 31,868.96)
For Taxes Paid.....	420,497.28	(Increase 28,196.83)
For Losses Incurred.....	\$4,611,965.47	(Increase 1,156,337.43)
Less Cash Salvage.....	794,295.25	(Decrease 14,285.78)
Net Losses Incurred.....	3,817,670.22	(Increase 1,170,623.21)
TOTAL OUTGO.....	\$10,934,399.44	(Increase 1,405,872.60)
EXCESS OF INCOME OVER OUTGO.....		\$2,181,857.28
(A Decrease of \$93,289.87)		
Deduct—Increase in:		
Reserve for Overdue Premiums... \$	41,683.40	
Reserve for Expenses and Taxes... \$	766,645.03	
Reserve for Depreciation of		
Building.....	100,000.00	\$ 908,328.43
Agents' Balances Charged Off—Net.....	793.01	909,121.44
Investment Income and Underwriting Profit Less Reserves.....		\$1,272,735.84

[ page one ]

Brought Forward .....			\$1,272,735.84
Add:			
Appreciation in value of Securities .....	\$151,604.14		
Profit from Foreign Exchange .....	58.04	\$151,662.18	
Depreciation taken prior to January 1, 1942, on			
Securities sold during the year .....	106,625.60		
Less Loss on Sale of Securities .....	96,216.71	10,408.89	162,071.07
			<u>1,434,806.91</u>
Deduct:			
Transfer to Special Reserves .....	42,211.83		
Transfer to Reserve for Depreciation of Home Office Building			
in Addition to Annual Provision .....	100,000.00	142,211.83	
			<u>1,292,595.08</u>
Dividends Declared .....			750,000.00
			<u>542,595.08</u>
Added to Surplus .....			6,461,040.36
Surplus December 31, 1941 .....			<u>\$7,003,635.44</u>
Surplus December 31, 1942 .....			<u><u>\$7,003,635.44</u></u>

The result of operations for the year may be summarized as follows:

Net Underwriting Profit .....	\$1,013,012.91	
Net Investment Income .....	842,222.93	
Total before Federal Income Taxes .....		\$1,855,235.84
Provision for Federal Income Taxes .....		582,500.00
		<u>1,272,735.84</u>
Net Income from Operations .....		
Add:		
Appreciation in Value of Securities Owned .....	151,604.14	
Profit from Sale of Securities after applying depreci-		
ation taken prior to January 1, 1942 .....	10,408.89	
Profit from Foreign Exchange .....	58.04	162,071.07
		<u>1,434,806.91</u>



Brought Forward .....	\$1,434,806.91
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Deduct:

Transfer to Reserve for Depreciation of Home Office		
Building in addition to annual provision .....	\$100,000.00	
Transfer to Special Reserves .....	42,211.83	142,211.83
Balance .....		1,292,595.08
Of which Stockholders Received in Dividends .....	750,000.00	
And the remainder was carried to Surplus and Undivided Profits .....	542,595.08	\$1,292,595.08

In line with practically all industries, the increase in the premium volume in the Casualty and Surety field for the year 1942 was due to the War Program. The net premium volume of your Company amounted to \$13,066,957.06, the largest in its history. A substantial percentage of the \$1,890,786.66 increase over the previous year's writings represented casualty insurance premiums on government projects.

Net Income from Investments i.e., Interest, Dividends and Rents totalled \$842,222.93. This is an increase of \$83,348.47 over the income received from this source during 1941. Income from Dividends included \$173,450.39 received from subsidiary companies as follows:

Amsuco Securities Company .....	\$ 7,000.00
Canadian Surety Company .....	34,944.00
Cia. Mexicana de Garantias, S. A. ....	51,546.39
New York Casualty Company .....	79,960.00

A Cost of Living Bonus was paid to employees on December 24, 1942, who were receiving salaries not exceeding \$10,000.00 per annum at the rate of 6% on the first \$2,500.00 of annual salary and 4% on the next \$2,500.00 of annual salary. This was exactly the basis on which the bonus paid in 1941 was computed. Including the amount paid to Building Service employees, this distribution amounted to \$132,360.61, which compares with \$132,054.02 paid in 1941.

Incurred Losses were \$1,156,337.43 greater and Salvage Collections were \$14,285.78 less than were reported for 1941. There was some increase in the number and amount of Fidelity bond losses but a substantial portion of the increase in losses was incurred in connection with casualty insurance on certain large government projects.

Based on estimated taxable income, \$582,500.00 was deducted from Net Underwriting Profit and Investment Income for Federal Income Taxes. At the close of 1941 no provision was required as the loss from the sale of capital assets was deductible from gross taxable income under the then existing Revenue Act.

Listed Securities held as of December 31, 1942, were valued in accordance with the Insurance Department's requirements, which resulted in an unrealized appreciation of \$151,604.14 for the year. The cost of securities sold during the year was \$96,216.71 in excess of the sale price. However, these securities had been depreciated in prior years to the extent of \$106,625.60, which produced a gain for the year of \$10,408.89.

\$100,000.00, in addition to the regular annual provision for depreciation, was charged to operations and credited to Reserve for Depreciation of Home Office Building.

[ page three ]



Two semi-annual dividends of \$1.25 per share were declared payable July 1, 1942—\$375,000.00, and January 2, 1943—\$375,000.00

The Net Earnings after all taxes of each of the Company's four subsidiaries (earnings of foreign Companies converted to United States dollars at current rates of exchange) were as follows:

Amsuco Securities Company.....	\$ 11,048.46
Canadian Surety Company.....	90,272.00
Cia. Mexicana de Garantias, S. A.....	79,713.18
New York Casualty Company.....	381,026.72
Total.....	<u>\$562,060.36</u>

Consolidated Underwriting Profit and Investment Income of the Company and its subsidiary Companies was:

Underwriting Profit.....	\$1,691,404.32
Investment Income excluding inter-company dividends..	<u>916,983.48</u>
Total Consolidated Earnings before Federal Taxes.....	2,608,387.80
Provision for Federal Taxes.....	<u>947,042.00</u>
Net Earnings after Federal Taxes.....	1,661,345.80
Deduct:	
Earnings applicable to minority stockholders of subsidiary companies.....	<u>11,600.90</u>
Net Earnings applicable to stockholders of American Surety Company.....	<u>\$1,649,744.90</u>

As of December 31, 1942, Total Admitted Assets amounted to approximately \$31,132,295.40 after deducting \$935,000.00, Reserve for Depreciation of Home Office Building, from the appraised value of real estate. On a comparable basis, this is an increase over the previous year-end of \$2,859,953.74.

Unencumbered Real Estate consists of land and twenty-three story office building known as 100 Broadway, New York City. This property was appraised, as of April 7, 1939, at \$8,235,000.00. Subsequent charges to operations for depreciation reduced the Net Value to \$7,300,000.00. Including the space occupied by the Company, the building is 96½% rented at the present time.

The Company's security portfolio at the year-end was invested as follows:

United States Government Bonds.....	\$ 8,415,551.44
United States Possessions, Canadian, Dominion and Provincial and other Bonds.....	1,137,037.05
Preferred and Common Stocks.....	4390,818.00
Stock of Subsidiary Companies.....	<u>2,553,733.72</u>
Total.....	<u>\$16,497,140.21</u>

Amortizable bonds were stated at amortized values and other listed bonds and stocks at values established by the Insurance Department of the State of New York. The actual market value of these securities exceeded the stated value by \$229,393.05. Stocks of subsidiary Companies were stated at cost, which in the aggregate was \$1,908,928.87 less than their book value.

At the close of the year the Premiums in Course of Collection amounted to \$3,231,846.92 and Cash in Banks and Offices \$4,172,907.62.

The Unearned Premium Reserve increased \$934,005.64 to \$7,566,198.39, which equalled 62½% of the net premium income for the year.

\$5,211,060.70 carried in Reserve for Reported Losses was deemed adequate to discharge the Company's liability for all unsettled claims of which it had knowledge. In addition thereto, the Company maintained a reserve of \$1,538,706.99 to cover unknown and unreported losses.

Reserve for Expenses, Taxes and Other Liabilities in the amount of \$1,937,693.88 included a provision of \$600,000 for Federal Income Taxes.

Policyholder Surplus as of December 31, 1942, stood at \$14,503,635.44—Capital Stock \$7,500,000.00 and Surplus and Undivided Profits \$7,003,635.44.

During the past year your Company equipped and maintained over 40 Field Hospital Units staffed by specially trained doctors and nurses. These units provided surgical care at the site of the project to injured workmen engaged in constructing cantonments, munitions and bomber plants, shipyards, naval bases, air stations, etc. More than 200,000 individual treatments were administered by the staffs of these hospital units. In addition, on many of these projects members of the Company's Safety Engineering Staff were engaged full time in establishing and maintaining accident prevention methods and devices.

The management is particularly proud of the following certificate received from the engineers and builders of an enormous project on which the Company carried all of the casualty insurance:

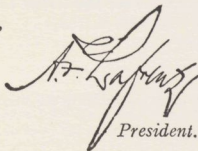
"This is to certify that the American Surety Company of New York has made signal contributions to America's war effort through all-out cooperation in construction of the..... Aircraft Assembly Plant for the United States Army."

In closing I take occasion to pay tribute to the 190 members of our organization who are now serving in the country's Armed Forces and to express the hope that each and every one of them in the not too distant future will return to our ranks. This represents a loss of approximately 30% of our male staff, many of whom held positions of trust and responsibility.

A heavy burden has been placed on the other members of our organization and I cannot speak too highly of their accomplishments, loyalty and devotion. Insurance is vital and essential to our country's war program and every member of our staff is making a real contribution to this effort.

To the members of this Board and its various Committees, I am sincerely grateful for their continued support and counsel.

Respectfully submitted,

  
President.

[ page five ]

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1942

ADMITTED ASSETS

Real Estate . . . . .		\$ 7,363,717.84
†Bonds, Stocks and Debentures . . . . .		20,266,389.42
Premiums and Agents' Balances in Course of Collection . . . . .	\$4,273,844.96	
Less Reinsurance Payable . . . . .	255,924.05	\$4,017,920.91
Less Premiums and Agents' Balances more than Ninety Days due . . . . .	293,578.52	3,724,342.39
Cash . . . . .		6,134,860.82
Real Estate Mortgage and other Secured Loans . . . . .		782,900.27
Reinsurance and other Accounts Receivable . . . . .		351,300.32
Interest and Rents Due and Accrued . . . . .		66,971.14
		<u>\$38,690,482.20</u>

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .		\$ 7,500,000.00
Surplus and Undivided Profits . . . . .		8,912,564.31
Legal Fund Provision—Mexico . . . . .		34,364.26
Minority Interest in Subsidiary Companies . . . . .		149,290.05
Reserve for Unearned Premiums . . . . .		9,893,356.61
Reserve for Reported Losses . . . . .		7,116,085.15
Reserve for Unreported Losses:		
Allocated to Specific Lines . . . . .	\$1,507,000.00	
Allocated to Losses due from Companies not authorized in the State of New York . . . . .	16,023.96	
Unallocated (Voluntary) . . . . .	440,161.46	1,963,185.42
Reserve for Expenses, Taxes and Other Liabilities . . . . .		2,708,784.89
Dividend Payable—January 2, 1943 . . . . .		375,000.00
*Voluntary Reserve . . . . .		37,851.51
		<u>\$38,690,482.20</u>

†Securities carried at \$2,016,027.22 in the above statement and cash amounting to \$19,587.63 are deposited for purposes required by law.

\*Represents the difference between the value of securities owned by The Canadian Surety Company in assets and their actual cost.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1942

## ADMITTED ASSETS

Real Estate . . . . .			\$ 7,300,000.00
Home Office Premises Unencumbered (Appraised by New York Insurance Department April 7, 1939.)			
*Securities:			
Bonds . . . . .	\$9,552,588.49		
Preferred Stocks . . . . .	906,662.00		
Common Stocks . . . . .	6,037,889.72	16,497,140.21	
Premiums in Course of Collection . . . . .	\$3,231,846.92		
Less Reinsurance Payable . . . . .	187,519.73	3,044,327.19	
Less Premiums more than Ninety Days due . . . . .	193,761.38	2,850,565.81	
Cash in Banks and Offices . . . . .		4,172,907.62	
Reinsurance and other Accounts Receivable . . . . .		282,722.84	
Interest and Rents Due and Accrued . . . . .		28,958.92	
			\$31,132,295.40

## LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) . . . . .		\$ 7,500,000.00
Surplus and Undivided Profits . . . . .		7,003,635.44
Reserve for Unearned Premiums . . . . .		7,566,198.39
Reserve for Reported Losses . . . . .		5,211,060.70
Reserve for Unreported Losses:		
Allocated to Specific Lines . . . . .	\$1,105,000.00	
Allocated to Losses due from Companies not authorized in the State of New York . . . . .	16,023.96	
Unallocated (Voluntary) . . . . .	417,683.03	1,538,706.99
Reserve for Expenses, Taxes and Other Liabilities . . . . .		1,937,693.88
Dividend Payable—January 2, 1943 . . . . .		375,000.00
		\$31,132,295.40

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York, except stocks of Subsidiary Companies which are carried at less than their book value.

Securities carried at \$1,047,932.21 in the above statement are deposited for purposes required by law.



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

## BONDS

PAR VALUE	U. S. GOVERNMENT NOTES AND BONDS	%	MATURITY
\$ 750,000	U. S. of America Treasury Notes.....	1½	1943
750,000	U. S. of America Treasury Certificates of Ind., Series "E".....	¾	1943
500,000	U. S. of America Treasury Notes, Series "B".....	1	1944
420,000	U. S. of America Treasury Notes.....	1¼	1945
269,000	U. S. of America Treasury Bonds.....	3¼	1945
500,000	U. S. of America Treasury Notes.....	1	1946
84,500	U. S. of America Treasury Bonds.....	3¼	1946
1,500,000	U. S. of America Treasury Notes, Series "B".....	1½	1946
650,000	U. S. of America Treasury Bonds.....	2	1947
25,000	U. S. of America Treasury Bonds.....	3	1948
500,000	U. S. of America Treasury Bonds.....	1¾	1948
120,000	U. S. of America Treasury Bonds.....	2	1950
190,000	U. S. of America Treasury Bonds.....	2	1951
520,000	U. S. of America Treasury Bonds.....	2	1951
250,000	U. S. of America Treasury Bonds.....	2	1952
500,000	U. S. of America Treasury Bonds.....	2¼	1955
308,000	U. S. of America Treasury Bonds.....	2	1955

\$7,836,500

## U. S. GUARANTEED NOTES

\$ 180,000	Reconstruction Finance Corporation Notes, Series "V".....	1½	1943
400,000	Commodity Credit Corporation Notes, Series "G".....	1½	1945

\$ 580,000

## CANADIAN BONDS

\$ 20,000	City of Winnipeg, Canada, Con. Deb.....	5	1943
200,000	Dominion of Canada.....	4½	1944
50,000	Dominion of Canada.....	2½	1944
25,000	Dominion of Canada, Second Victory Loan Notes.....	2¼	1948
20,000	Dominion of Canada.....	3½	1949
250,000	Dominion of Canada.....	5	1952
50,000	Dominion of Canada, Third Victory Loan Notes.....	3	1956
50,000	Province of Alberta, Canada.....	4	1957
50,000	Province of Manitoba, Canada.....	4	1957

\$ 715,000

[ page eight ]

# AMERICAN SURETY COMPANY—Continued

PAR VALUE		U. S. TERRITORIAL BONDS	%	MATURITY
\$ 5,000	Porto Rico Public Improvement, Series "A".....	5		1945
10,000	Porto Rico Irrigation Loan of 1915, Series "F".....	4		1956
<hr/>				
\$ 15,000				
		RAILROAD BONDS		
\$ 87,000	Baltimore & Ohio R. R. Stpd. Mod. Conv.....	4½		1960
30,000	Baltimore & Ohio R. R. Stpd. Mod., Series "D".....	1-5		2000
52,000	Delaware & Hudson R. R. Co. 1st & Ref.....	4		1943
10,000	Erie R. R. Co. 1st Consolidated Mtge., Series "B".....	4		1995
20,000	Erie R. R. Co. Gen. Mtge. Income Bonds, Series "A".....	4½		2015
20,000	Kansas City Southern Rwy. Co. Ref. & Imp. Mtge.....	5		1950
200,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge. Series "F".....	5		1977
190,000	Southern Pacific Co.....	4½		1969
45,000	Southern Rwy. Co. Dev. & Gen. Mtge. Series "A".....	4		1956
16,000	Texarkana & Ft. Smith Rwy. Co. 1st Mtge. Guar. Ser. "A"....	5½		1950
<hr/>				
\$ 670,000				
		PUBLIC UTILITY BONDS		
\$ 50,000	Hydro-Electric Power Commission of Ontario.....	3¼		1953
90,000	Western Union Telegraph Co.....	5		1951
<hr/>				
\$ 140,000				
		INDUSTRIAL BONDS		
\$ 24,000	Armour & Co. of Delaware 1st Mtge. S. F., Series "B".....	4		1955
<hr/>				
\$9,980,500	TOTAL BONDS			

## STOCKS

NO. OF SHARES		RAILROAD STOCKS
3,000	Atchison, Topeka & Santa Fe Railway Co. \$5 Non-Cum. Preferred.	
900	Atchison, Topeka & Santa Fe Railway Co. Common.	
500	Chesapeake & Ohio Railway Co. 4% Non-Cum. "A" Pfce.	
140	Erie Railroad Co. Preferred, Series "A".	
5,625	Pennsylvania R. R. Co. Common.	
2,100	Reading Company Common.	
4,000	Southern Railway Company \$5 Non-Cum. Preferred.	
3,000	Southern Railway Company Common.	
500	Union Pacific Railroad Company 4% Non-Cum. Preferred.	

## AMERICAN SURETY COMPANY—Continued

NO. OF  
SHARES

### PUBLIC UTILITY STOCKS

1,000	American Power & Light Company \$5 Cum. Preferred, Series "A" Unstamped.
700	American Telephone & Telegraph Company Common.
834	Commonwealth & Southern Corporation \$6 Cum. Preferred.
1,700	Commonwealth Edison Company Common.
1,000	Consolidated Edison Company of New York \$5 Cum. Preferred.
1,000	Consolidated Edison Company of New York, Common.
300	Consolidated Gas, Electric Light & Power Company of Baltimore Common.
1,000	Consumers Power Company \$4.50 Cum. Preferred.
1,400	Engineers Public Service Company \$5 Cum. Conv. Preferred.
1,600	Pacific Gas & Electric Company Common.
800	Southern California Edison Company, Ltd. Common.

### BANK STOCKS

7,032	Chase National Bank of the City of New York.
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### MISCELLANEOUS STOCKS

2,000	Air Reduction Company Common.
1,500	Allis-Chalmers Manufacturing Company Common.
703	Amerex Holding Corporation
700	American Chicle Company Common.
475	American Cyanamid Company 5% Cum. Preferred.
3,000	American Cyanamid Company "B" Common.
1,800	American Home Products Corporation, Common.
1,000	American Locomotive Company \$7 Cum. Preferred.
1,200	American Smelting & Refining Company, Common.
1,400	American Snuff Company, Common.
500	American Sugar Refining Company \$7 Cum. Preferred.
1,100	American Tobacco Company "B" Common.
4,500	Borden Company Common.
1,500	Corn Products Refining Company Common.
1,000	E. I. DuPont de Nemours & Company Common.
2,100	First National Stores, Inc. Common.
1,800	General Electric Company Common.
2,500	General Foods Corporation Common.
2,100	General Motors Corporation Common.



## AMERICAN SURETY COMPANY—Continued

NO. OF  
SHARES

### MISCELLANEOUS STOCKS—Continued

2,900	(H. L.) Green Company, Inc. Common.
1,000	International Harvester Company Common.
3,200	Kroger Grocery & Baking Company Common.
4,000	P. Lorillard Company Common.
1,200	Monsanto Chemical Company Common.
1,000	Montgomery Ward & Company, Inc. Common.
2,700	National Biscuit Company Common.
4,500	National Dairy Products Corporation Common.
3,000	Ohio Oil Company Common.
1,100	J. C. Penney Company Common.
200	Philip Morris & Company, Ltd., Inc. $4\frac{1}{4}\%$ Cum. Preferred.
1,000	Philip Morris & Company, Ltd., Inc. Common.
2,000	Phillips Petroleum Company Common.
2,000	Pullman, Inc. Common.
2,600	Reynolds (R. J.) Tobacco Company, "B" Common.
370	Reynolds Metals Company $5\frac{1}{2}\%$ Cum. Conv. Preferred.
1,600	Safeway Stores, Inc. Common.
8,000	Socony-Vacuum Oil Company, Inc. Common.
3,000	Standard Oil Company of New Jersey Common.
1,200	Sterling Drug, Inc. Common.
3,000	Texas Company Common.
1,500	Union Carbide & Carbon Corporation Common.
2,200	United States Steel Corporation Common.
2,600	United States Tobacco Company Common.
500	Westinghouse Electric & Manufacturing Company Common.
1,000	Westvaco Chlorine Products Corporation Common.
1,000	F. W. Woolworth Company Common.

### STOCKS OF SUBSIDIARY COMPANIES

800	Amnyco Printing & Supply Corporation Common.
2,000	Amsuco Securities Company Common.
4,368	Canadian Surety Company.
5,000	Compania Mexicana de Garantias, S. A.
39,980	New York Casualty Company.



AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines*

FIDELITY  
DISCOVERY  
(Full time Fidelity protection)  
PUBLIC OFFICIAL  
FEDERAL OFFICIAL  
FORGERY  
BANKERS BLANKET  
BROKERS BLANKET  
BUILDING AND LOAN BLANKET  
SAVINGS AND LOAN BLANKET  
RAILROAD BLANKET  
COMMERCIAL BLANKET  
BLANKET POSITION  
SECURITIES FORGERY  
GUARDIAN  
ADMINISTRATORS  
EXECUTORS  
RECEIVERS AND TRUSTEES  
OTHER FIDUCIARY AND PROBATE  
COURT OR JUDICIAL  
CONTRACT BID  
CONTRACT PERFORMANCE  
LICENSE, FRANCHISE AND PERMIT  
CUSTOMS AND INTERNAL REVENUE  
LOST SECURITY  
MISCELLANEOUS SURETY

AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines*

AUTOMOBILE BODILY INJURY AND PROPERTY DAMAGE  
AUTOMOBILE COLLISION  
ACCOUNTANTS LIABILITY  
(Not written by New York Casualty Company)  
AVIATION  
BANK BURGLARY AND ROBBERY  
MERCANTILE SAFE BURGLARY  
INTERIOR ROBBERY  
MESSENGER AND PAYMASTER ROBBERY  
RESIDENCE BURGLARY, ROBBERY, THEFT AND LARCENY  
SAFE DEPOSIT BOX BURGLARY AND ROBBERY  
SAFE DEPOSITORY LIABILITY  
STOREKEEPERS' AND OFFICE BURGLARY AND ROBBERY  
ALL RISK INSURANCE ON MONEY AND SECURITIES  
GLASS  
PUBLIC LIABILITY AND PROPERTY DAMAGE  
CONTRACTUAL  
ELEVATOR  
MANUFACTURERS' AND CONTRACTORS'  
OWNERS' OR CONTRACTORS' PROTECTIVE  
PRODUCT  
TEAMS  
OWNERS', LANDLORDS', AND TENANTS'  
COMPENSATION  
EMPLOYERS' LIABILITY  
PERSONAL AND RESIDENCE LIABILITY  
COMPREHENSIVE GENERAL  
COMPREHENSIVE PERSONAL  
OTHER CASUALTY LINES  
COMPREHENSIVE DISHONESTY, DISAPPEARANCE AND DESTRUCTION









JUN 16 1944

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AMERICAN SURETY COMPANY  
*of New York*



REPORT OF THE PRESIDENT  
*for 1943*



REPORT  
OF THE PRESIDENT  
OF THE  
AMERICAN SURETY COMPANY  
*of* NEW YORK

100 BROADWAY • NEW YORK, N. Y.



FOR THE YEAR ENDED

DECEMBER 31, 1943



AMERICAN SURETY COMPANY  
OF NEW YORK

BOARD OF TRUSTEES

JOSEPH F. ABBOTT  
GEORGE A. ANDERSON  
NEWCOMB CARLTON  
FANNIN W. CHARSKE  
WILLIAM E. HALL  
HENRY O. HAVEMEYER  
JOHN L. KEMMERER  
F. W. LAFRENTZ  
A. F. LAFRENTZ  
JAMES T. LEE  
JEREMIAH T. MAHONEY

W. E. MCKELL  
JEREMIAH MILBANK  
HARPER SIBLEY  
WILLIAM SKINNER  
MATTHEW S. SLOAN  
JOHN SLOANE  
FREDERICK P. SMALL  
W. M. TOMLINS, JR.  
MEDLEY G. B. WHELPLEY  
ALBERT H. WIGGIN  
BRONSON WINTHROP

OFFICERS

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*Chairman of the Board*

A. F. LAFRENTZ  
*President*

W. M. TOMLINS, JR.  
*First Vice-President*

*Vice-Presidents*

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D. H. COOK  
H. P. DUNHAM  
J. E. GIBBONS  
R. B. HAMILTON

M. L. JENKS  
W. E. MCKELL  
L. S. MOORE  
F. J. PARRY  
E. F. WATSON

C. H. HALL  
*Secretary*

WILLIAM GOETZ  
*Treasurer*

J. C. BARROWS  
*Comptroller*

January 18, 1944.

TO THE BOARD OF TRUSTEES:

The operating results of our Company for the year ended December 31, 1943 (in the sixtieth year of its operation) are as follows: (Percentages indicated below represent Ratios to Premiums Earned.)

		Comparison with Preceding Year	
Premiums Written (Net).....	\$13,252,399.75	(Increase	\$185,442.69)
Add Decrease in Unearned Premiums.....	631,840.90	(Decrease	1,565,846.54)
Premiums Earned.....	13,884,240.65	(Increase	1,751,289.23)
Deduct:			
Losses and Loss Expenses Incurred..	\$7,220,059.97	(Increase	1,887,612.83)
Less Salvage Collected.....	771,181.35	(Decrease	23,113.90)
Net Losses and Loss Expenses Incurred (46.4%).....	\$6,448,878.62	(Increase	1,910,726.73)
Operating Expenses and Commissions Incurred (42.0%).....	5,834,140.22	(Decrease	157,062.48)
Taxes other than Federal Income Taxes Incurred (2.9%).....	403,754.06	(Decrease	144,353.45)
Overdue Premiums—Decrease.....	11,287.68	(Decrease	52,971.08)
Agents' Balances Charged Off—Net.....	95.20	(Decrease	697.81)
Total Deductions (91.3%).....	12,675,580.42	(Increase	1,555,641.91)
Net Underwriting Profit before Federal Income Taxes (8.7%).....	1,208,660.23	(Increase	195,647.32)
INVESTMENT INCOME:			
From Securities...	699,034.46	(Increase	47,480.88)
From Real Estate..	330,943.52	(Decrease	808.20)
Total.....	1,029,977.98	(Increase	46,672.68)
Deduct:			
Expenses.....	51,574.21	(Increase	10,491.84)
Overdue Rents..	3,542.49	(Increase	3,542.49)
Building Depreciation.....	100,000.00	(Increase	14,034.33)
Total.....	155,116.70		
Net Investment Income before Federal Income Taxes	874,861.28	(Increase	32,638.35)
Total Underwriting Profit and Investment Income before Federal Income Taxes.....	2,083,521.51	(Increase	228,285.67)
Provision for Federal Income Taxes.....	675,000.00	(Increase	75,000.00)
Net Income after Provision for Federal Income Taxes	1,408,521.51	(Increase	153,285.67)

[ page one ]

Net Income after Provision for Federal Income Taxes (brought forward).....				\$1,408,521.51
Miscellaneous Profit and Loss Adjustments:				
Appreciation in Value of Securities.....	\$ 726,852.12			
Depreciation taken prior to January 1, 1943, on Secur- ities sold during the year	\$ 200,116.47			
Less Loss on Sale of Secur- ities.....	30,949.43	169,167.04		
Reserve for Federal Income Taxes, Year 1942.....	600,000.00			
Less Actual Payments..	584,474.07	15,525.93	\$ 911,545.09	
Transfer to Special Reserves.....		4,629.36		
Additional Special Reserve for Depreciation of Home Office Building.....		200,000.00		
Loss on Foreign Exchange—Net.....		261.90	204,891.26	
Miscellaneous Profit and Loss Adjustment—Credit.....				706,653.83
Dividends Declared.....				2,115,175.34
Added to Surplus.....				1,365,175.34
Surplus December 31, 1942.....				7,003,635.44
Surplus December 31, 1943.....				\$8,368,810.78

The foregoing statement may be summarized as follows:

Net Underwriting Profit.....	\$1,208,660.23	
Net Investment Income.....	874,861.28	
Total before Federal Income Taxes.....		\$2,083,521.51
Provision for Federal Income Taxes.....		675,000.00
Net Income from Operations.....		1,408,521.51
Add:		
Net Miscellaneous Profit and Loss Adjustments.....		706,653.83
Total.....		\$2,115,175.34
Which was distributed as follows:		
To Stockholders in Dividends.....	750,000.00	
To Surplus and Undivided Profits.....	1,365,175.34	\$2,115,175.34

[ page two ]



Net Premiums Written totalled \$13,252,399.75, an increase of \$185,442.69 over the volume reported for 1942. Earned Premiums, however, were \$1,751,289.23 greater than for 1942. This was due to an increase of \$1,204,839.92 in compensation premiums, a large percent of which were earned; and to the release of unearned premium reserve resulting from a reduction in Contract Bond premiums of \$1,011,149.67 and in Automobile Liability premiums of \$249,321.55.

Incurred Losses and Loss Expenses were \$1,887,612.83 greater and Salvage Collections \$23,113.90 less than reported for 1942. The increase in Compensation and Liability losses on a number of large government projects more than accounts for this advance in losses incurred.

Operating Expenses and Commissions Incurred declined \$157,062.48. Commissions were down \$213,352.10 whereas Salaries, Rents and other expenses increased \$56,289.62. Salary adjustments principally in the lower brackets added \$45,331.89 to the payroll.

Again in 1943 a Cost of Living Bonus was paid to employees on or before December 24th who were receiving salaries not exceeding \$10,000.00 per annum at the rate of 6% on the first \$2,500.00 of annual salary and 4% on the next \$2,500.00 of annual salary. Including the amount paid to Building Service employees this distribution amounted to \$135,320.80 as compared with \$132,360.61 paid in 1942.

Net Income from Investments amounted to \$874,861.28, including \$189,285.75 in dividends received from subsidiary companies:

Amsuco Securities Company	\$ 8,000.00
Canadian Surety Company	34,944.00
Compania Mexicana de Garantias, S. A.	46,391.75
New York Casualty Company	<u>99,950.00</u>

Interest and Dividends Earned increased \$47,480.88 and Net Income from Home Office Building decreased \$4,350.69 as compared with 1942. While the gross income from the Home Office Building exceeded the income received in 1942 this was offset by an increase in taxes and provision for overdue rents.

Sale of Securities during the year resulted in a loss based on actual cost of \$30,949.43. Prior to January 1, 1943, however, the value of these securities had been written down \$200,116.47.

Securities held as of December 31, 1943, were valued in accordance with Insurance Department requirements. This produced an unrealized gain of \$726,852.12 for the year.

In addition to the regular annual provision of \$100,000.00 the sum of \$200,000.00 was charged to operations for the year and credited to Reserve for Depreciation of Home Office Building.

There was no change in the semi-annual dividend rate of \$1.25 per share—\$375,000.00 was declared payable July 1, 1943, and \$375,000.00 payable January 3, 1944.

The Net Earnings after all taxes of each of the Company's four subsidiaries (earnings of



foreign Companies converted to United States dollars at current rates of exchange) were as follows:

Amsuco Securities Company.....	\$ 8,477.09
Canadian Surety Company.....	66,459.00
Cia. Mexicana de Garantias, S. A.....	71,168.23
New York Casualty Company.....	<u>362,303.70</u>
Total.....	<u>\$508,408.02</u>

Consolidated Underwriting Profit and Investment Income of the Company and its subsidiary Companies was:

Underwriting Profit.....	\$1,793,803.71
Investment Income excluding inter-company dividends.....	<u>942,112.01</u>
Total Consolidated Earnings before Federal Income Taxes....	2,735,915.72
Federal Income Taxes.....	<u>1,008,271.94</u>
Net Earnings after Federal Income Taxes.....	1,727,643.78
Deduct:	
Earnings applicable to minority stockholders of subsidiary companies.....	<u>8,580.48</u>
Net Earnings applicable to stockholders of American Surety Company.....	<u>\$1,719,063.30</u>

At the year end, Admitted Assets totaled \$35,092,056.91 compared with \$31,132,295.40 as of December 31, 1942.

The Company's Home Office Premises, known as 100 Broadway, New York City, was stated at \$7,000,000.00. This represented the appraised value April 7, 1939, \$8,235,000.00, less Reserve for Depreciation. The assessed value of this property for the year 1943-1944 was \$7,600,000.00. At the present time, including the space occupied by the Company, the building is 97 $\frac{3}{4}$ % rented.

Diversification of our investment in securities as of December 31, 1943, may be summarized as follows:

		%
U. S. Government Bonds.....	\$11,158,023.63	55.14
U. S. Possessions, Canadian Dominion and Provincial Bonds.....	801,199.33	3.96
Railroad, Utility and Industrial Bonds.....	<u>302,021.58</u>	<u>1.49</u>
TOTAL BONDS.....	\$12,261,244.54	60.59
Preferred Stocks.....	863,243.75	4.27
Common Stocks.....	4,555,663.50	22.52
Investment in Stocks of Subsidiary Companies..	<u>2,553,733.72</u>	<u>12.62</u>
TOTAL.....	<u>\$20,233,885.51</u>	<u>100.00</u>

Amortizable bonds were stated at amortized values and other listed bonds and stocks at values established by the Insurance Department of the State of New York. The actual market value of these securities exceeded the stated value by \$312,242.08. Stocks of subsidiary companies were stated at cost, which in the aggregate was \$2,520,046.02 less than their book value.

We were in a position to respond generously to the Second and Third War Bond Drives held this past year. In all we subscribed for \$4,350,000.00 par amount, for the most part in short and intermediate maturities.

U. S. Government bonds with an average maturity of four years and eight months constituted 63% of our security holdings excluding investment in subsidiary companies. Also, it is interesting to note that Cash in Banks and On Hand, \$5,089,403.15, and U. S. Government bonds exceeded the sum of the Reserves for Reported Losses and Unearned Premiums.

Unearned Premium Reserve declined \$631,840.90 for the year to \$6,934,357.49 which latter figure is equal to 52% of Net Premium Writings for the year.

Reserve for Reported Losses stood at \$8,321,079.64 at December 31, 1943, compared with \$5,211,060.70 at the close of the previous year. The \$3,110,018.94 increase in this reserve was concentrated in Workmen's Compensation and Liability risks on U. S. Government projects assumed by the Company under what is known as the Comprehensive Rating Plan.

Reserve for Expenses, Taxes and other Liabilities included a provision for Federal Income Taxes of \$675,000.00.

The policyholders' surplus as at December 31, 1943, was \$15,868,810.78—Capital Stock \$7,500,000.00—and Surplus and Undivided Profits \$8,368,810.78.

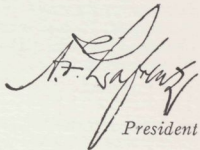
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At the present time 260 members of our organization are serving their country in the Armed Forces. In the past twelve months 70 members were called to the colors. In addition there are several of our staff serving in other branches of the government.

Since the start of the war we have lost approximately 40% of our male staff through enlistment and Selective Service, many of whom held positions of trust and responsibility. The manner in which the other members of our organization have assumed the added work and responsibility is to be commended. Their accomplishments, loyalty and devotion to the Company's interest are a source of deep gratification.

For the wise counsel and assistance the members of this Board and its various Committees have given me in the conduct of the Company's business, I express my sincere appreciation.

Respectfully submitted,



President

AMERICAN SURETY COMPANY OF NEW YORK  
NEW YORK CASUALTY COMPANY  
AMSUCO SECURITIES COMPANY  
THE CANADIAN SURETY COMPANY  
COMPANIA MEXICANA DE GARANTIAS, S. A.

CONSOLIDATED FINANCIAL STATEMENT, DECEMBER 31, 1943

ADMITTED ASSETS

Real Estate .....		\$ 7,055,380.66
†Bonds, Stocks and Debentures .....		25,371,480.16
Premiums and Agents' Balances in Course of Collection .....	\$3,724,713.22	
Less Reinsurance Payable .....	211,836.58	\$3,512,876.64
Less Premiums and Agents' Balances more than Ninety Days due .....	270,797.82	3,242,078.82
Cash .....		6,983,277.92
Real Estate Mortgage and other Secured Loans .....		492,209.28
Reinsurance and other Accounts Receivable .....		424,564.83
Interest and Rents Due and Accrued .....		85,433.62
		<u>\$43,654,425.29</u>

LIABILITIES

Capital Stock (300,000 Shares. Par Value \$25.00 per Share) .....		\$ 7,500,000.00
Surplus and Undivided Profits .....		10,888,856.80
Minority Interest in Subsidiary Companies .....		154,127.02
Reserve for Unearned Premiums .....		9,261,716.98
Reserve for Reported Losses .....		10,608,342.34
Reserve for Unreported Losses:		
Allocated to Specific Lines .....	\$1,607,000.00	
Allocated to Losses due from Companies not authorized in the State of New York .....	54,911.10	
Unallocated (Voluntary) .....	394,252.66	2,056,163.76
Reserve for Expenses, Taxes and Other Liabilities .....		1,796,569.76
Reserve for Federal Income Taxes .....		948,750.00
Dividend Payable—January 2, 1944 .....		375,000.00
*Voluntary Reserve .....		64,898.63
		<u>\$43,654,425.29</u>

†Securities carried at \$2,016,653.34, in the above statement and cash amounting to \$19,587.63 are deposited for purposes required by law.

\*Represents the difference between the market value of securities owned by The Canadian Surety Company in assets and their actual cost.



# AMERICAN SURETY COMPANY OF NEW YORK

FINANCIAL STATEMENT, DECEMBER 31, 1943

## ADMITTED ASSETS

Real Estate . . . . .			\$ 7,000,000.00
Home Office Premises, Unencumbered (Appraised value April 7, 1939, \$8,235,000.00, less Reserve for Depreciation.)			
Securities:			
U. S. Government Bonds . . . . .	\$11,158,023.63		
Other Bonds . . . . .	1,103,220.91		
Preferred and Common Stocks . . . . .	5,418,907.25		
*Total Bonds and Stocks . . . . .	\$17,680,151.79		
Investments in Stocks of subsidiary Companies . . . . .	2,553,733.72	20,233,885.51	
Premiums in Course of Collection . . . . .	\$2,725,040.72		
Less Reinsurance Payable . . . . .	148,684.41	2,576,356.31	
Less Premiums more than Ninety Days due . . . . .	178,870.38	2,397,485.93	
Cash in Banks and Offices . . . . .		5,089,403.15	
Reinsurance and other Accounts Receivable . . . . .		325,237.06	
Interest Due and Accrued . . . . .		46,045.26	
			<u>\$35,092,056.91</u>

## LIABILITIES

Capital Stock . . . . .		\$ 7,500,000.00
Surplus and Undivided Profits . . . . .		8,368,810.78
Reserve for Unearned Premiums . . . . .		6,934,357.49
Reserve for Reported Losses . . . . .		8,321,079.64
Reserve for Unreported Losses:		
Allocated to Specific Lines . . . . .	\$1,105,000.00	
Allocated to Losses due from Companies not authorized in the State of New York . . . . .	54,911.10	
Unallocated (Voluntary) . . . . .	374,904.16	1,534,815.26
Reserve for Expenses, Taxes and other Liabilities . . . . .		1,382,993.74
Reserve for Federal Income Taxes . . . . .		675,000.00
Dividend Payable January 3, 1944 . . . . .		375,000.00
		<u>\$35,092,056.91</u>

\*Amortizable bonds are stated at amortized values and other bonds and stocks at market values as established by the Insurance Department of the State of New York. Securities carried at \$1,069,577.97 in the above Statement are deposited for purposes required by law.

Investments in stocks of subsidiary Companies are stated at cost which is less than their book value.



# SECURITIES OWNED BY AMERICAN SURETY COMPANY OF NEW YORK

## BONDS

PAR VALUE	U. S. GOVERNMENT NOTES AND BONDS	%	MATURITY
\$ 1,000,000	U. S. of America Treasury Certificates of Ind., Series "B" . . .	$\frac{7}{8}$	1944
1,000,000	U. S. of America Treasury Certificates of Ind., Series "E" . . .	$\frac{7}{8}$	1944
500,000	U. S. of America Treasury Notes, Series "B" . . . . .	1	1944
420,000	U. S. of America Treasury Notes . . . . .	$1\frac{1}{4}$	1945
500,000	U. S. of America Treasury Notes . . . . .	1	1946
100,000	Tax Savings Notes, Series "C" . . . . .	$1.07$	1946
84,500	U. S. of America Treasury Bonds . . . . .	$3\frac{1}{4}$	1946
1,500,000	U. S. of America Treasury Notes, Series "B" . . . . .	$1\frac{1}{2}$	1946
700,000	U. S. of America Treasury Notes, Series "A" . . . . .	$1\frac{1}{2}$	1947
650,000	U. S. of America Treasury Bonds . . . . .	2	1947
25,000	U. S. of America Treasury Bonds . . . . .	3	1948
500,000	U. S. of America Treasury Bonds . . . . .	$1\frac{3}{4}$	1948
120,000	U. S. of America Treasury Bonds . . . . .	2	1950
190,000	U. S. of America Treasury Bonds . . . . .	2	1951
520,000	U. S. of America Treasury Bonds . . . . .	2	1951
1,350,000	U. S. of America Treasury Bonds . . . . .	$2\frac{1}{2}$	1952
1,000,000	U. S. of America Treasury Bonds . . . . .	2	1953
500,000	U. S. of America Treasury Bonds . . . . .	$2\frac{1}{4}$	1955

\$10,659,500

## U. S. GUARANTEED NOTES

\$ 400,000	Commodity Credit Corporation Notes, Series "G" . . . . .	$1\frac{1}{8}$	1945
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## CANADIAN BONDS

\$ 200,000	Dominion of Canada . . . . .	$4\frac{1}{2}$	1944
50,000	Dominion of Canada . . . . .	$2\frac{1}{2}$	1944
100,000	Dominion of Canada, Fourth Victory Loan Notes . . . . .	$1\frac{3}{4}$	1946
25,000	Dominion of Canada, Fifth Victory Loan Notes . . . . .	$1\frac{3}{4}$	1947
57,000	Dominion of Canada . . . . .	$2\frac{1}{2}$	1948
25,000	Dominion of Canada, Second Victory Loan Notes . . . . .	$2\frac{1}{4}$	1948
20,000	Dominion of Canada . . . . .	$3\frac{1}{2}$	1949
85,000	Dominion of Canada . . . . .	3	1953
50,000	Dominion of Canada, Third Victory Loan Notes . . . . .	3	1956
50,000	Province of Alberta, Canada . . . . .	4	1957
50,000	Province of Manitoba, Canada . . . . .	4	1957
25,000	Dominion of Canada, Fourth Victory Loan Notes . . . . .	3	1957

\$ 737,000

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# AMERICAN SURETY COMPANY—Continued

PAR VALUE	CANADIAN RAILWAY BONDS	%	MATURITY
\$ 100,000	Canadian National Railway.....	5	1969

## U. S. TERRITORIAL BONDS

\$ 5,000	Porto Rico Public Improvement, Series "A".....	5	1945
10,000	Porto Rico Irrigation Loan of 1915, Series "F".....	4	1956

\$ 15,000

## RAILROAD BONDS

\$ 25,000	Baltimore & Ohio R. R. Stpd. Mod. Conv.....	4½	1960
10,000	Erie R. R. Co. 1st Consolidated Mtge., Series "B".....	4	1995
10,000	Kansas City Southern Rwy. Co. Ref. & Imp. Mtge.....	5	1950
180,000	Missouri Pacific R. R. Co. 1st & Ref. Mtge., Series "F".....	5	1977
150,000	Southern Pacific Co.....	4½	1969
15,000	Southern Rwy. Co. Dev. & Gen. Mtge., Series "A".....	4	1956
16,000	Texarkana & Ft. Smith Rwy. Co. 1st Mtge. Guar., Ser. "A".....	5½	1950

\$ 406,000

## PUBLIC UTILITY BONDS

\$ 50,000	Hydro-Electric Power Commission of Ontario.....	3¼	1953
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## INDUSTRIAL BONDS

\$ 23,000	Armour & Co. of Delaware 1st Mtge. S. F., Series "B".....	4	1955
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\$12,390,500 TOTAL BONDS

## STOCKS

NO. OF  
SHARES

### RAILROAD STOCKS

3,000	Atchison, Topeka & Santa Fe Railway Company \$5 Non-Cum. Preferred.
900	Atchison, Topeka & Santa Fe Railway Company Common.
5,625	Pennsylvania R. R. Company Common.
2,100	Reading Company Common.
4,000	Southern Railway Company \$5 Non-Cum. Preferred.
2,600	Southern Railway Company Common.
500	Union Pacific Railroad Company 4% Non-Cum. Preferred.

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# AMERICAN SURETY COMPANY—Continued

NO. OF  
SHARES

## PUBLIC UTILITY STOCKS

2,500	American Gas & Electric Company Common.
1,000	American Power & Light Company \$5 Cum. Preferred, Series "A" Unstamped.
700	American Telephone & Telegraph Company Common.
2,500	Commonwealth Edison Company Common.
1,000	Consolidated Edison Company of New York \$5 Cum. Preferred.
1,000	Consolidated Edison Company of New York Common.
300	Consolidated Gas, Electric Light & Power Company of Baltimore Common.
1,000	Consumers Power Company \$4.50 Cum. Preferred.
1,400	Engineers Public Service Company \$5 Cum. Conv. Preferred.
1,800	Pacific Gas & Electric Company Common.
2,000	Southern California Edison Company, Ltd. Common.

## BANK STOCKS

7,032	Chase National Bank of the City of New York.
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## MISCELLANEOUS STOCKS

2,000	Air Reduction Company Common.
1,500	Allis-Chalmers Manufacturing Company Common.
703	Amerex Holding Corporation.
500	American Can Company Common.
700	American Chicle Company Common.
525	American Cyanamid Company 5% Cum. Preferred.
1,000	American Cyanamid Company "B" Common.
1,000	American Home Products Corporation Common.
500	American Locomotive Company \$7 Cum. Preferred.
875	American Locomotive Company Common.
1,200	American Smelting & Refining Company Common.
1,400	American Snuff Company Common.
1,100	American Tobacco Company "B" Common.
4,500	Borden Company Common.
2,000	Burroughs Adding Machine Company Common.
1,100	Cannon Mills Company Common.
2,000	Caterpillar Tractor Company Common.
1,500	Corn Products Refining Company Common.
1,000	Diamond Match Company Common.
1,000	E. I. DuPont de Nemours & Company Common.
2,100	First National Stores, Inc. Common.
2,000	General American Transportation Corp. Common.
1,800	General Electric Company Common.
2,500	General Foods Corporation Common.
2,100	General Motors Corporation Common.



## AMERICAN SURETY COMPANY—Continued

NO. OF  
SHARES

### MISCELLANEOUS STOCKS—Continued

2,000	(H. L.) Green Company, Inc. Common.
1,000	Inland Steel Company Common.
1,000	International Harvester Company Common.
3,200	Kroger Grocery & Baking Company Common.
4,800	P. Lorillard Company Common.
1,000	Montgomery Ward & Company, Inc. Common.
2,700	National Biscuit Company Common.
4,500	National Dairy Products Corporation Common.
1,000	National Steel Corporation Common.
3,000	Ohio Oil Company Common.
500	Owens Illinois Glass Company Common.
1,100	J. C. Penney Company Common.
200	Philip Morris & Company, Ltd., Inc. $4\frac{1}{4}\%$ Cum. Preferred.
1,120	Philip Morris & Company, Ltd., Inc. Common.
2,000	Phillips Petroleum Company Common.
1,000	Procter & Gamble Company Common.
2,000	Pullman, Inc. Common.
2,600	Reynolds (R. J.) Tobacco Company, "B" Common.
1,600	Safeway Stores, Inc. Common.
8,000	Socony-Vacuum Oil Company, Inc. Common.
3,000	Standard Oil Company of New Jersey Common.
1,200	Sterling Drug, Inc. Common.
3,000	Texas Company Common.
1,000	Timken Roller Bearing Company Common.
2,200	United States Steel Corporation Common.
2,600	United States Tobacco Company Common.
1,000	Westinghouse Electric & Manufacturing Company Common.
1,000	Westvaco Chlorine Products Corporation Common.
2,000	F. W. Woolworth Company Common.
1,500	Youngstown Sheet & Tube Company Common.

### STOCKS OF SUBSIDIARY COMPANIES

800	Amnyco Printing & Supply Corporation Common.
2,000	Amsuco Securities Company Common.
4,368	Canadian Surety Company.
7,500	Compania Mexicana de Garantias, S. A.
39,980	New York Casualty Company.



AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines*

FIDELITY  
DISCOVERY  
(Full time Fidelity protection)  
PUBLIC OFFICIAL  
FEDERAL OFFICIAL  
FORGERY  
BANKERS BLANKET  
BROKERS BLANKET  
BUILDING AND LOAN BLANKET  
INSURANCE COMPANIES BLANKET  
SAVINGS AND LOAN BLANKET  
RAILROAD BLANKET  
COMMERCIAL BLANKET  
BLANKET POSITION  
SECURITIES FORGERY  
GUARDIANS  
ADMINISTRATORS  
EXECUTORS AND TRUSTEES UNDER WILL  
RECEIVERS AND TRUSTEES IN INSOLVENCY  
OTHER FIDUCIARY AND PROBATE  
COURT OR JUDICIAL  
CONTRACT BID  
CONTRACT PERFORMANCE  
LICENSE, FRANCHISE AND PERMIT  
CUSTOMS AND INTERNAL REVENUE  
LOST SECURITY  
MISCELLANEOUS SURETY

AMERICAN SURETY COMPANY  
NEW YORK CASUALTY COMPANY

*write the following lines*

AUTOMOBILE BODILY INJURY AND PROPERTY DAMAGE  
AUTOMOBILE MEDICAL PAYMENT  
AUTOMOBILE COLLISION  
ACCOUNTANTS' LIABILITY  
(Not written by New York Casualty Company)  
AVIATION  
BANK BURGLARY AND ROBBERY  
MERCANTILE SAFE BURGLARY  
INTERIOR ROBBERY  
MESSENGER AND PAYMASTER ROBBERY  
RESIDENCE AND OUTSIDE THEFT  
MERCANTILE OPEN STOCK BURGLARY  
SAFE DEPOSIT BOX BURGLARY AND ROBBERY  
SAFE DEPOSITORY LIABILITY  
STOREKEEPERS' AND OFFICE BURGLARY AND ROBBERY  
ALL RISK INSURANCE ON MONEY AND SECURITIES  
GLASS  
PUBLIC LIABILITY AND PROPERTY DAMAGE  
CONTRACTUAL  
ELEVATOR  
MANUFACTURERS' AND CONTRACTORS'  
OWNERS' OR CONTRACTORS' PROTECTIVE  
PRODUCT  
TEAMS  
OWNERS', LANDLORDS', AND TENANTS'  
COMPENSATION  
EMPLOYERS' LIABILITY  
COMBINATION RESIDENCE  
PERSONAL AND RESIDENCE LIABILITY  
COMPREHENSIVE GENERAL  
COMPREHENSIVE PERSONAL  
OTHER CASUALTY LINES  
COMPREHENSIVE DISHONESTY, DISAPPEARANCE AND DESTRUCTION









1884 • DIAMOND JUBILEE YEAR • 1944